UL70475-2

September 28, 1981

SEPTEMBER 1981 MONTHLY SURVEY

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

BUYING ATTITUDES WORSEN

** In the September 1981 survey, the Index of Consumer Sentiment was 73.1, down 4.1 Index points from August, and nearly equal to the 73.7 recorded in September 1980. The major factors in the recent decline were less favorable attitudes toward short-term business prospects, and less favorable buying attitudes.

** Among families with incomes of $25,000 or more, the Index was 73.3 in September 1981, down from 85.0 in August 1981, and 78.5 in September 1980. The families with incomes of $25,000 or more showed the greatest decline from August, 11.7 Index points.

** Respondents more frequently reported that they were worse off financially in September than a year ago (38 percent) compared with August (33 percent). Improvements in their personal financial situation, however, were expected by 31 percent of all families, while only 18 percent expected a worsened situation in the year ahead.

** Interest rates were expected to decline in the year ahead by 30 percent of all respondents in September 1981, up from 26 percent in August; interest rate increases were expected less frequently in September (33 percent) than in August (37 percent), or September 1980 (53 percent).

** Attitudes toward the housing market reached a new all-time record low in the September 1981 survey. Attitudes toward buying conditions for durables and autos were also significantly less favorable than one month and one year earlier levels. High interest rates and tight credit conditions were mentioned by a record number of respondents in connection with both the housing and auto markets in September. The number of respondents that mentioned that higher prices made buying conditions unfavorable in the durable, housing and auto markets increased in September over August 1981.

* * *

The September 1981 survey indicates that consumer attitudes and expectations have followed a divergent course during the past year. Lowered price expectations, a more optimistic outlook for the economy as a whole, and increased confidence in government economic policy stand in sharp contrast to widespread unfavorable buying attitudes, due to heightened concerns about high interest rates.

Growth in consumer sales during the balance of 1981 and early 1982 will continue to be slow and uneven. Sustained reductions in interest rates, as well as sustained increases in real disposable income are needed before large discretionary consumer purchases show robust growth. Savings rates can be expected to increase, both because of additions to financial savings and reserves, as well as because of increased debt repayments compared with debt incurrences.

Monitoring Economic Change Program
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Personal Finances

In general, consumers evaluations of their personal financial situation were somewhat less favorable in September 1981 than one month earlier. However, consumer evaluations of both their current and expected financial situation in September 1981 were comparable to year-earlier readings, reversing the declines recorded in late 1980 and early 1981. In September 1981, families more frequently reported that they were worse off financially than a year ago (38 percent) than better off financially (32 percent), but, importantly, families more frequently expected an improved financial situation (31 percent) than a worsened situation in the year ahead (18 percent). In explaining how their financial situation had changed during the past year, fewer families in September 1981 mentioned that they had received income increases than one year earlier (26 percent, down from 33 percent), and fewer families mentioned income declines (13 percent, down from 18 percent). Offsetting trends were also indicated by income expectations. In September 1981, 29 percent of all families expected their nominal income to increase by 10% or more during the year ahead, up from 26 percent in September 1980, while the proportion of families that expected their income to remain unchanged or decline rose to 39 percent in September 1981, from 31 percent a year earlier.

Business Conditions

After recording rapid improvement in evaluations of current business conditions in the second half of 1980 and early 1981 (when the proportion that reported business conditions had worsened fell from 90 to just under 50 percent), this pace of improvement has greatly slowed in recent months. From May to September 1981, the proportion that reported worsened business conditions stayed in the range of 47 to 57 percent, while the proportion that reported improved business conditions ranged from 28 to 33 percent. This same pattern of rapid improvement followed by an extended holding period at improved levels is even more evident in terms of expected changes in business conditions. From April to September 1980, the proportion that expected improved business conditions more than doubled, rising from 14 to 32 percent, but still stood at 32 percent in the September 1981 survey. This maintenance at greatly improved levels has been due to the maintenance of favorable expectations for government economic policies. In each monthly survey since the November election, at least one-in-five respondents spontaneously referred to the Reagan administration and federal economic policies. In September 1981, 24 percent made reference to these

factors, down from 29 percent in August. Business expectations thus appear to be in a suspended state, awaiting either confirmation or a downward revision.

Confidence in government policy to combat inflation and unemployment remained at much improved levels in the September 1981 survey. Among all families, 31 percent favorably rated government economic policy, unchanged from August, but greatly above the 10 percent recorded in September 1980. Following a pattern similar to trends in business evaluations, confidence in government economic policy rose from 10 to 28 percent during the first four months of 1981, but in the five months from May to September 1981, it has remained in the range of 25 to 31 percent.

In the September 1981 survey, evaluations of short term business conditions were somewhat less favorable than one month earlier readings, while consumer evaluations of long term business prospects improved somewhat. Among all families, 33 percent expected good times in the economy as a whole during the next 12 months, down from 40 percent in August 1981, and below the 35 percent recorded in September 1980. Favorable long term business expectations were held by 30 percent of all families in September 1981, up from 28 percent in August, and 25 percent in September 1980. With regard to both the short and long term business outlook, the majority of respondents continue to view these prospects as unfavorable.

Fewer families expected unemployment to decline in the year ahead in the September 1981 survey (15 percent) than in September 1980 (22 percent), and approximately the same proportions expected further increases in unemployment in September 1981 (39 percent) as in September 1980 (40 percent). The shift in expectations during the past year has been toward the view that unemployment will remain at the same high current levels, increasing from 36 to 45 percent.

Interest rate expectations were somewhat more favorable in September 1981 than either one-month or one-year earlier. Among all families, 33 percent expected interest rates to increase during the year ahead, below the 37 percent recorded in August, and 53 percent in September 1980. Declines in interest rates were expected by 30 percent in September 1981, up from 26 percent in August and 18 percent in September 1980.

Consumer reports of current price increases improved considerably during late 1980 and early 1981, falling from a peak of 17.4% in April 1980 to

10.8% in July 1981, but since then reports of inflation rates rose to 11 2% in August and 12.2% in September 1981. Similarly, expected future rates of inflation, although below year earlier readings, increased in the September 1981 survey. Among all families, the average expected rate of inflation was 7.5% in the September survey, up from 6.5% in August, but below the 8.5% recorded one year earlier. Importantly, an increase in price uncertainty was indicated by the greater dispersion of expectations: in the September 1981 survey, 30 percent of all families expected inflation to average 10% or more, while an additional 30 percent expected prices to remain the same or decline. The variance in price expectations, adjusted for differences in the mean level, showed much greater dispersion in September 1981 than a year earlier.

Buying Conditions

Attitudes toward buying conditions for durables, vehicles, and houses were significantly less favorable in the September 1981 survey than one month earlier. Favorable buying attitudes toward large household durables fell from 55 to 44 percent, favorable attitudes toward the car market fell from 43 to 34 percent, and favorable attitudes toward the housing market fell from 21 to 15 percent.

Attitudes toward the housing market in the September 1981 survey reached a new all-time record low, below the low levels recorded first in early 1980, and then again in early 1981. In September 1981, just 15 percent of all families viewed buying conditions for houses as favorable, below the 18 percent recorded in May 1980 and January 1981. Five times as many respondents thought it was a bad rather than a good time to buy a house (76 versus 15 percent). When asked to explain their views, an all-time record level of 80 percent spontaneously mentioned high interest rates and tight credit conditions in rating buying conditions as unfavorable. In contrast to prior years, very few respondents thought of buying in advance of future price increases (7 percent), and fewer referred to housing as a good investment (4 percent).

Attitudes toward the car market were more unfavorable in the September survey by a wider margin than either one month or one year earlier. Among all families, unfavorable exceeded favorable attitudes by a margin of 56 to 34 percent in the September survey, in comparison with the much narrower margins of 47 to 43 percent recorded in August 1981, and 44 to 42 percent recorded in September 1980. On the one hand, when asked to explain their views of the auto market, fewer respondents mentioned price discounts or rebates in September,

and fewer mentioned buying in advance of new model price increases; on the other hand, unfavorable references to high prices rose to 30 percent in September 1981, from 26 percent one month earlier. In addition to the shifting influence of price trends, unfavorable references to high interest rates and tight credit conditions have had an important impact on attitudes toward the automobile market. In the September 1981 survey, an all-time record proportion of 31 percent spontaneously referred to high interest rates when asked why they thought buying conditions for automobiles were unfavorable, up from 26 percent in August 1981, and 10 percent in September 1980.

It should be carefully noted that monthly changes in attitudes toward auto market conditions have traced a sideways zig-zag path during the past year or so. When the monthly data are aggregated into quarterly totals, favorable attitudes toward the automobile market remained at nearly unchanged levels throughout the past year. From the third quarter of 1980 to the third quarter of 1981, the proportion that held favorable car buying attitudes in each quarter remained in the narrow range of 38 to 40 percent, and the proportion that held unfavorable attitudes ranged from 47 to 52 percent. Consequently, the September 1981 survey alone yields inadequate evidence of a renewed downturn in auto market attitudes, but rather indicates that heightened concerns with high interest rates and high prices continue to act to postpone sales.

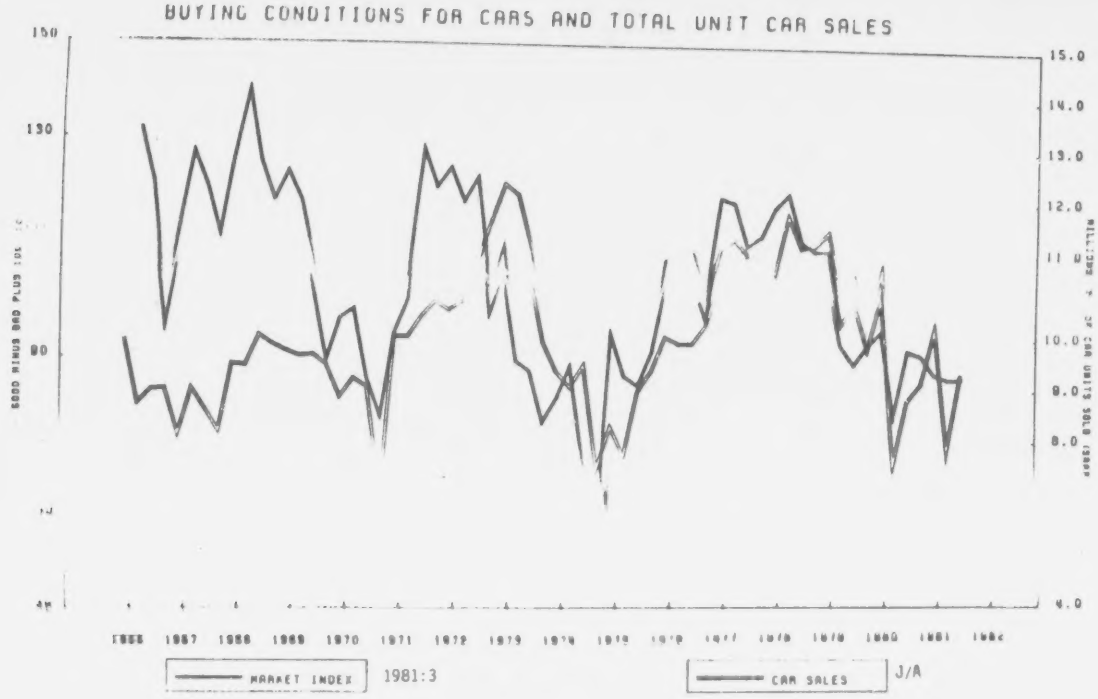
Summary Outlook

The September 1981 survey indicates that consumer attitudes and expectations have followed a divergent course during the past year. Lowered price expectations, a more optimistic outlook for the economy as a whole, and increased confidence in government economic policy stand in sharp contrast to widespread unfavorable buying attitudes, due to heightened concerns about high interest rates.

Growth in consumer sales during the balance of 1981 and early 1982 will continue to be slow and uneven. Sustained reductions in interest rates, as well as sustained increases in real disposable income are needed before large discretionary consumer purchases show robust growth. Savings rates can be expected to increase, both because of additions to financial savings and reserves, as well as because of increased debt repayments compared with debt incurrences.

* * *

The September 1981 survey contained 681 interviews, conducted between August 24 and September 20, 1981.


BUYING CONDITIONS FOR CARS AND TOTAL UNIT CAR SALES
150
130
80
15.0
14.0
13.0
12.0
10.0
9.0
8.0
4.0
1968 1969 1970 1971 1972 1973 1974 1975 1976 1977 1978 1979 1980 1981 1982
MARKET INDEX
1981:3
CAR SALES
J/A

BUYING CONDITIONS FOR HOUSES AND
TOTAL SINGLE-FAMILY HOME SALES
140
130
120
110
100
90
80
70
50
40
1.5
1.0
0.5
0.0
-0.5
-1.5
1968 1969 1970 1971 1972 1973 1974 1975 1976 1977 1978 1979 1980 1981 1982
MARKET CONDITIONS
HOMES SOLD

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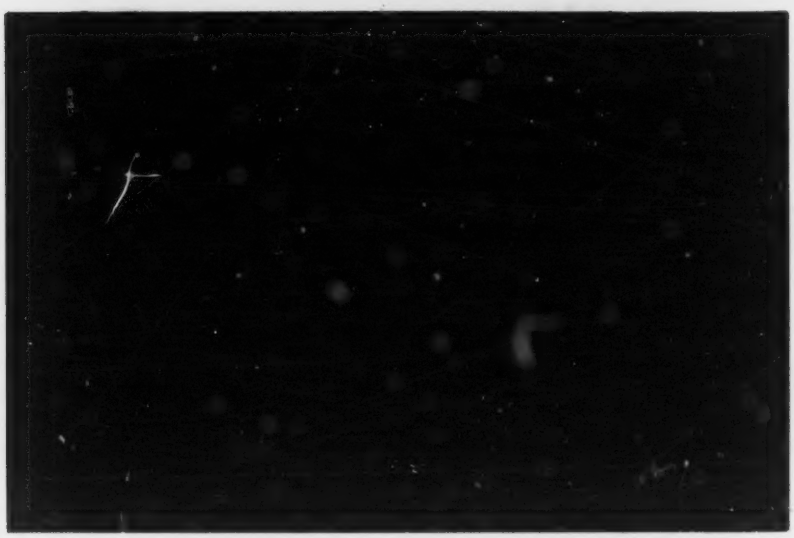
SURVEYS OF CONSUMER ATTITUDES



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TABLES AND CHARTS

OCTOBER 1981

The October 1981 survey is the 157th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

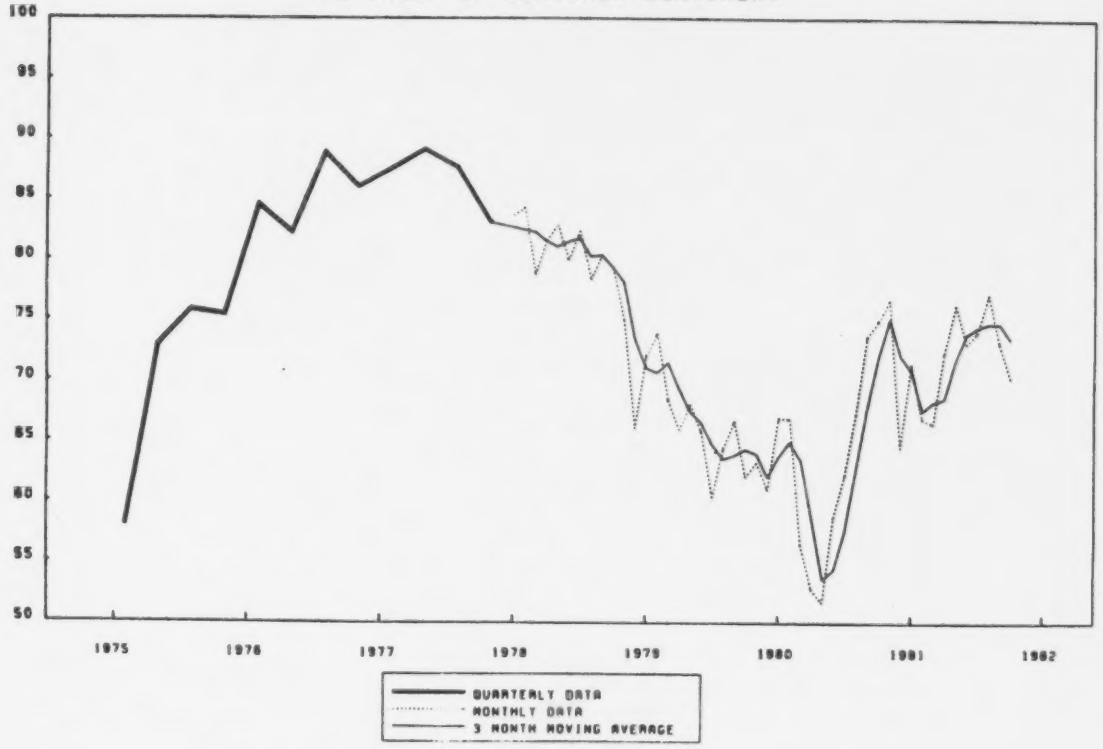


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT

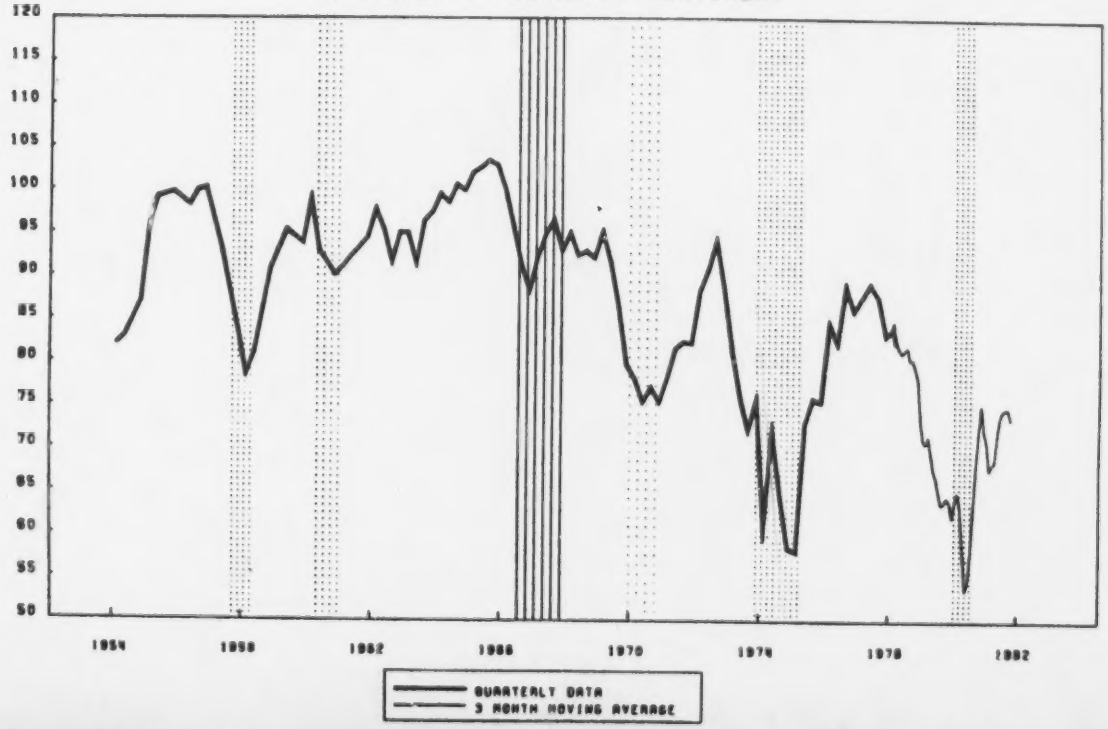


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	All families	Families with incomes over $20,000	Families with incomes over $25,000
October 1978	79.3	88.1	89.1
November 1978	75.0	81.0	83.0
December 1978	66.1	73.8	76.8
January 1979	72.1	83.7	84.8
February 1979	73.9	84.3	86.6
March 1979	68.4	75.3	73.6
April 1979	66.0	73.7	77.0
May 1979	68.1	73.5	76.7
June 1979	65.8	71.8	72.9
July 1979	60.4	67.2	68.0
August 1979	64.5	70.0	71.3
September 1979	66.7	71.6	74.4
October 1979	62.1	65.6	65.5
November 1979	63.3	68.3	69.9
December 1979	61.0	66.2	73.2
January 1980	67.0	70.8	70.9
February 1980	66.9	70.8	73.5
March 1980	56.5	62.3	64.5
April 1980	52.7	54.2	57.2
May 1980	51.7	55.2	53.3
June 1980	58.7	61.6	63.7
July 1980	62.3	67.6	67.3
August 1980	67.3	70.9	74.2
September 1980	73.7	78.1	78.5
October 1980	75.0	76.3	78.7
November 1980	76.7	82.7	87.5
December 1980	64.5	66.9	68.6
January 1981	71.4	74.8	77.1
February 1981	66.9	74.2	77.5
March 1981	66.5	72.1	73.7
April 1981	72.4	77.1	78.0
May 1981	76.3	80.8	85.0
June 1981	73.1	81.2	82.9
July 1981	74.1	80.8	82.1
August 1981	77.2	82.7	85.0
September 1981	73.1	75.2	73.3
October 1981	70.3	74.5	77.9

CHART 2A

INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

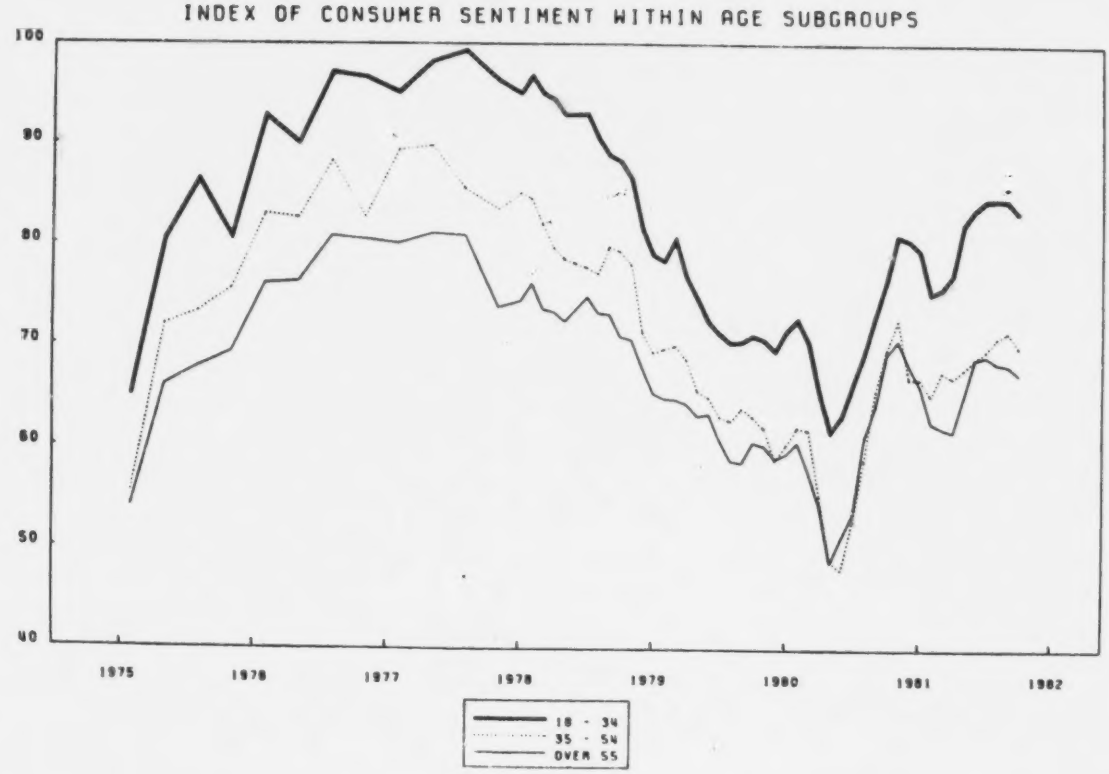


CHART 2B

INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

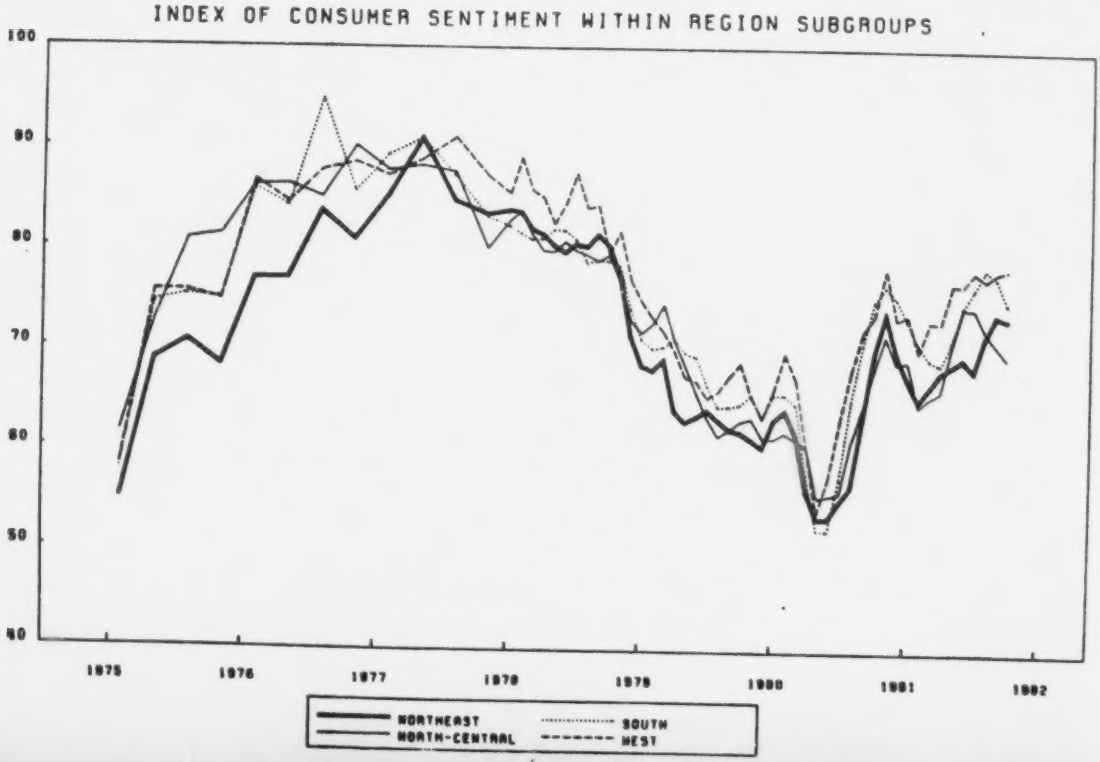


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

DATE OF SURVEY	CENSUS REGION				AGE OF RESPONDENT		
	North East	North Central	South	West	18-34	35-54	55+
October 1978	82.2	79.9	78.4	77.1	90.6	76.7	70.8
November 1978	69.6	73.1	76.1	82.4	82.5	73.3	69.0
December 1978	62.1	65.6	67.5	71.4	71.7	63.9	63.6
January 1979	73.5	76.4	69.3	70.6	82.7	70.6	63.2
February 1979	68.0	75.8	73.5	77.5	80.9	74.6	67.7
March 1979	65.5	71.3	68.0	67.4	77.9	64.7	63.3
April 1979	58.1	65.6	71.9	64.8	71.5	66.4	61.8
May 1979	64.9	68.2	69.1	69.6	74.6	65.3	64.1
June 1979	66.8	63.3	66.8	66.3	71.2	62.9	63.9
July 1979	60.4	58.0	63.3	59.7	67.7	60.9	54.1
August 1979	61.7	63.0	62.9	71.7	72.1	64.0	58.2
September 1979	64.1	65.2	67.0	70.9	71.5	66.8	63.2
October 1979	59.5	60.4	64.0	63.5	69.5	58.3	60.1
November 1979	59.8	64.1	65.8	61.9	70.8	60.7	57.3
December 1979	61.7	59.5	59.7	64.6	68.1	57.1	59.3
January 1980	67.4	60.1	71.3	71.6	75.5	63.1	61.6
February 1980	63.0	65.9	65.7	72.8	74.3	65.7	60.5
March 1980	54.4	57.3	56.7	56.9	61.4	56.2	50.7
April 1980	50.9	58.0	50.7	51.5	60.5	43.6	51.8
May 1980	54.6	50.8	49.3	53.0	62.8	46.6	43.4
June 1980	54.4	58.0	56.4	67.3	65.9	53.5	58.1
July 1980	55.9	58.5	66.4	68.6	69.9	58.1	58.8
August 1980	59.0	66.2	72.6	68.1	72.0	64.8	66.0
September 1980	76.3	68.3	71.8	79.5	78.6	73.4	69.4
October 1980	75.7	70.2	79.1	73.1	80.2	70.2	74.0
November 1980	71.1	76.2	77.3	81.9	85.3	73.5	70.3
December 1980	62.3	59.9	69.3	64.6	76.0	56.7	60.1
January 1981	68.2	70.9	72.5	74.4	77.2	70.2	67.9
February 1981	64.5	62.6	70.2	70.8	72.5	68.4	59.6
March 1981	66.5	62.6	64.9	73.7	77.3	63.9	58.4
April 1981	72.6	72.7	71.0	74.2	81.5	68.3	66.9
May 1981	66.8	76.6	77.5	82.2	87.7	71.2	70.0
June 1981	68.5	74.0	75.2	73.8	81.7	67.0	69.6
July 1981	68.9	72.2	76.5	78.1	84.2	70.6	67.6
August 1981	77.0	70.1	83.2	79.2	87.8	75.0	67.9
September 1981	75.1	69.9	72.4	76.6	81.4	68.8	69.2
October 1981	67.9	68.2	68.9	79.0	80.7	65.9	64.8

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

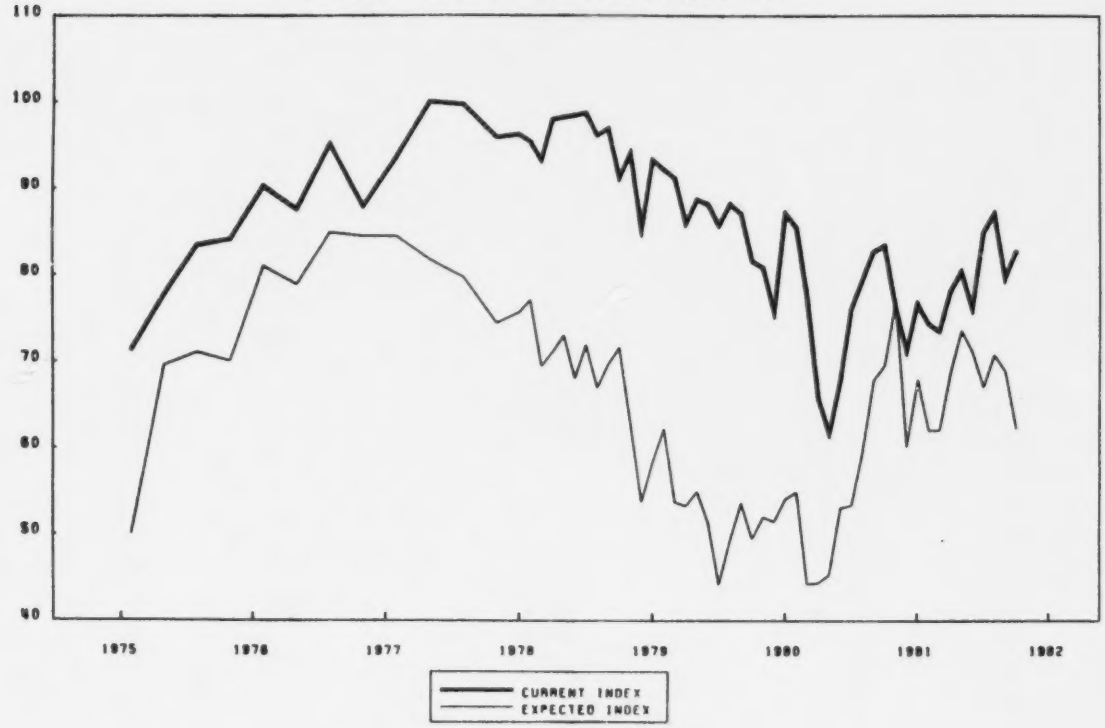


CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

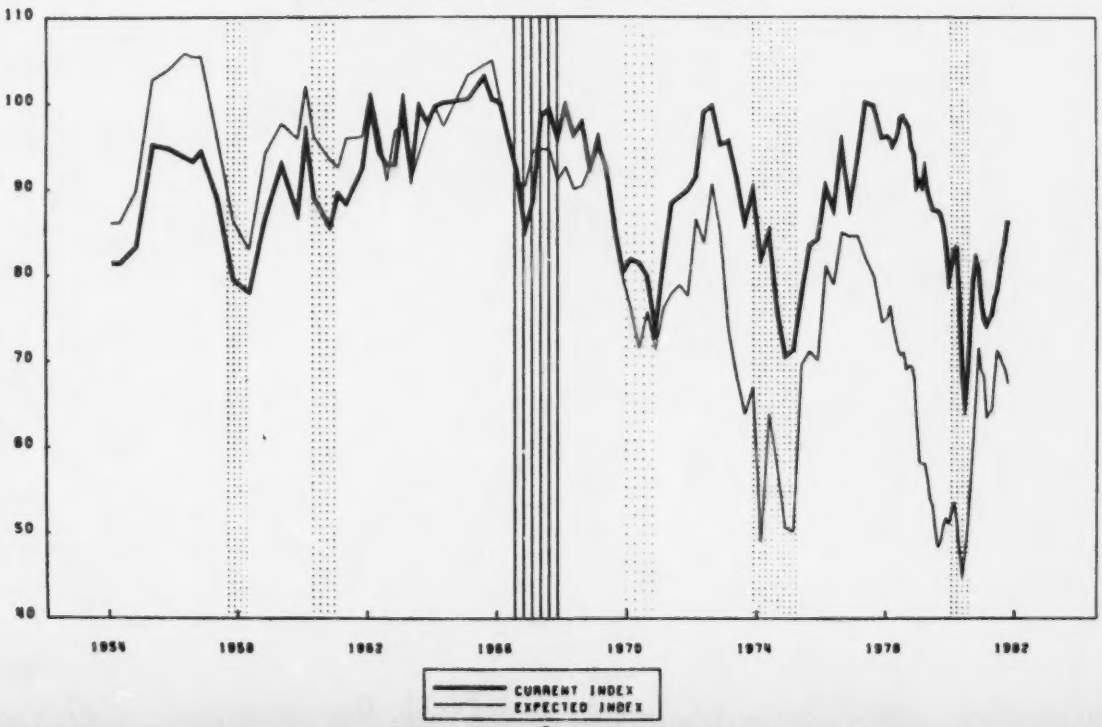


TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	INDEX COMPONENTS +						
	Personal finances		Business conditions				
	Current (1)	Expected (2)	12 months (3)	5 years (4)	Buying conds. (5)	Current Index (1,5)	Expected Index (2,3,4)
October 1978	96	104	103	77	138	91.2	71.7
November 1978	106	106	74	67	135	94.1	62.8
December 1978	95	96	61	53	123	85.2	53.8
January 1979	101	99	72	58	139	93.3	58.4
February 1979	98	98	75	71	138	92.2	62.2
March 1979	96	99	57	53	138	91.2	53.7
April 1979	85	90	63	55	134	85.9	53.3
May 1979	91	95	58	62	136	88.7	54.9
June 1979	92	91	54	55	134	88.2	51.4
July 1979	90	92	39	40	130	85.7	44.2
August 1979	95	98	46	48	131	88.2	49.3
September 1979	90	98	60	51	133	87.1	53.6
October 1979	83	96	48	49	126	81.6	49.5
November 1979	86	97	52	54	120	80.9	52.0
December 1979	83	101	50	50	110	75.8	51.5
January 1980	96	106	58	47	127	87.1	54.1
February 1980	85	99	55	60	134	85.5	54.9
March 1980	76	92	38	41	116	75.3	44.3
April 1980	73	94	32	45	94	65.8	44.4
May 1980	79	100	31	44	77	61.7	45.3
June 1980	78	101	43	63	93	67.4	53.0
July 1980	90	105	45	58	104	76.1	53.4
August 1980	93	111	63	60	109	79.4	59.6
September 1980	91	117	83	69	121	82.7	67.9
October 1980	90	108	84	83	123	83.4	69.6
November 1980	83	118	94	93	112	76.4	76.9
December 1980	77	100	64	73	104	71.2	60.2
January 1981	80	109	78	81	116	76.7	67.9
February 1981	80	106	64	73	109	74.4	62.1
March 1981	86	104	68	72	101	73.5	62.1
April 1981	79	111	83	78	121	78.1	68.8
May 1981	95	118	92	81	111	80.4	73.6
June 1981	89	113	91	78	104	76.1	71.2
July 1981	99	114	81	70	118	84.9	67.1
August 1981	100	117	92	72	123	87.1	70.8
September 1981	94	113	80	80	109	79.5	69.0
October 1981	95	110	68	67	117	82.7	62.3

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

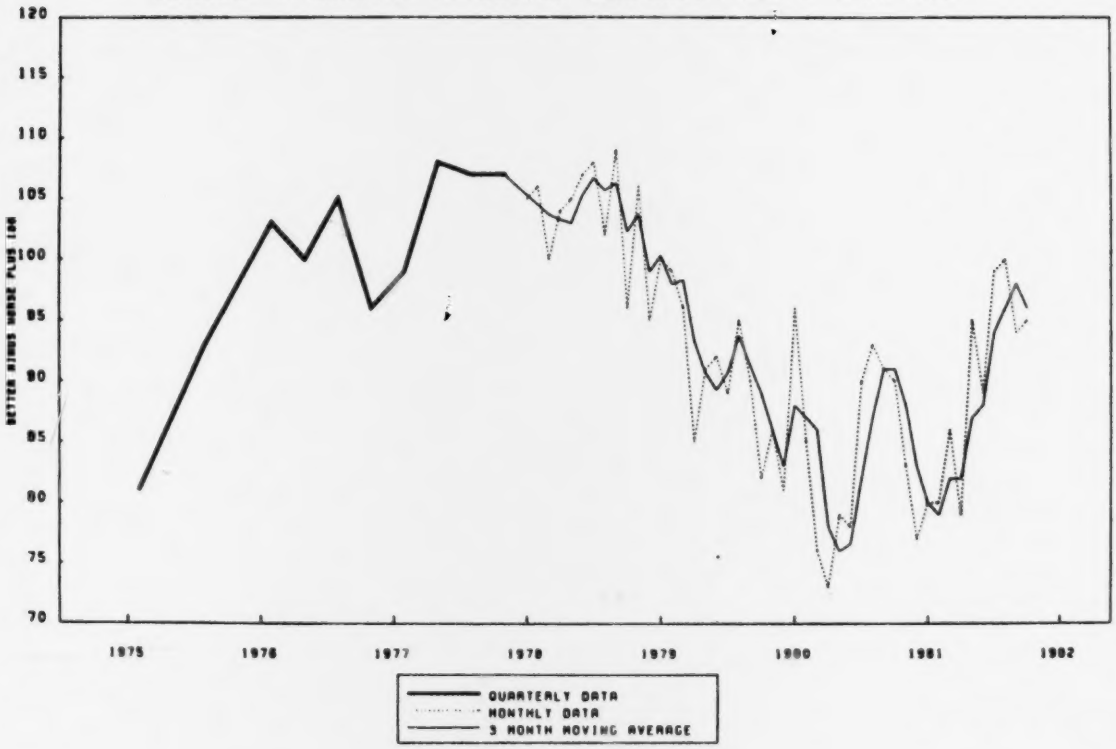


CHART 4 - HISTORICAL SERIES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

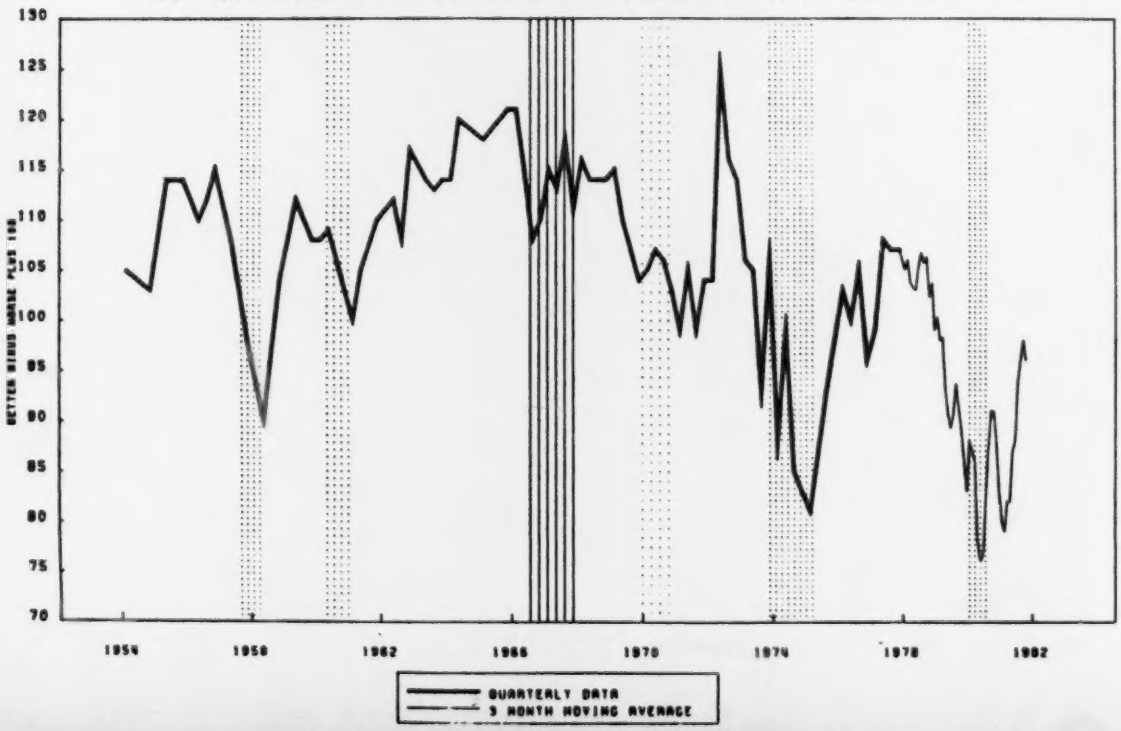


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
BETTER OFF	30%	28%	25%	25%	27%	29%	25%	31%	29%	34%	33%	32%	31%
SAME	30	26	26	30	26	28	28	32	31	30	33	29	32
WORSE OFF	40	45	48	45	47	43	46	36	40	35	33	38	36
DK,NA	*	1	1	*	*	*	1	1	*	1	1	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES

REASONS FOR FINANCIAL SITUATION COMPARED TO A YEAR AGO

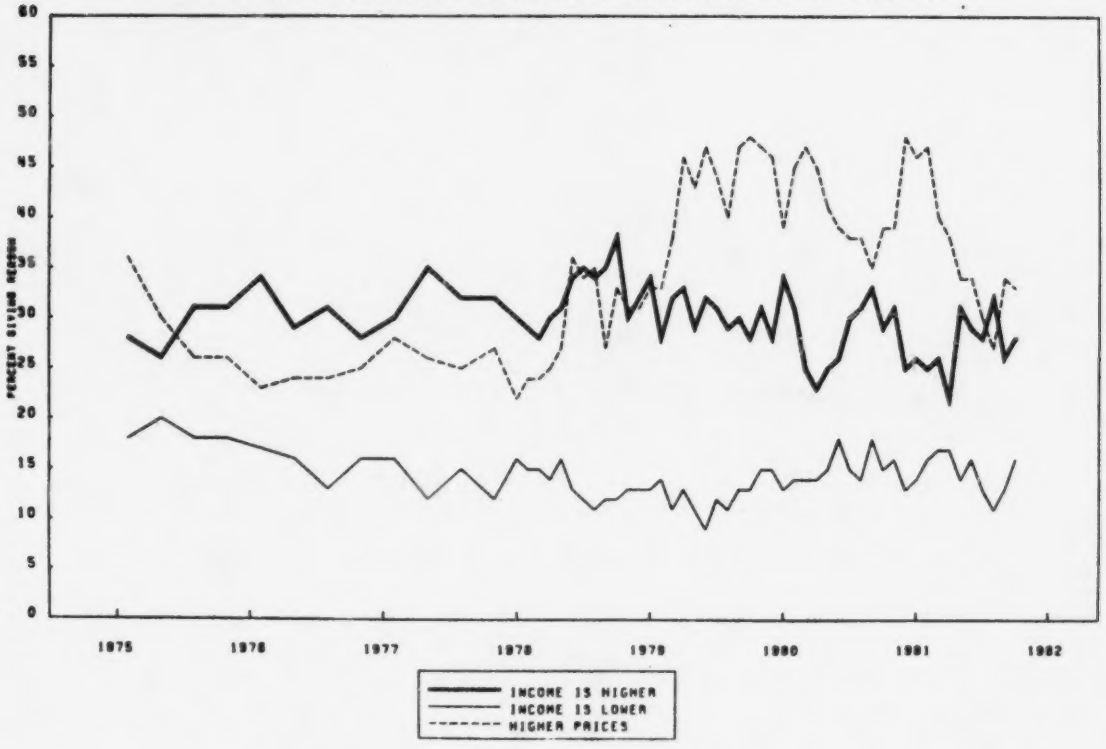


CHART 5 - HISTORICAL SERIES

REASONS FOR FINANCIAL SITUATION COMPARED TO A YEAR AGO

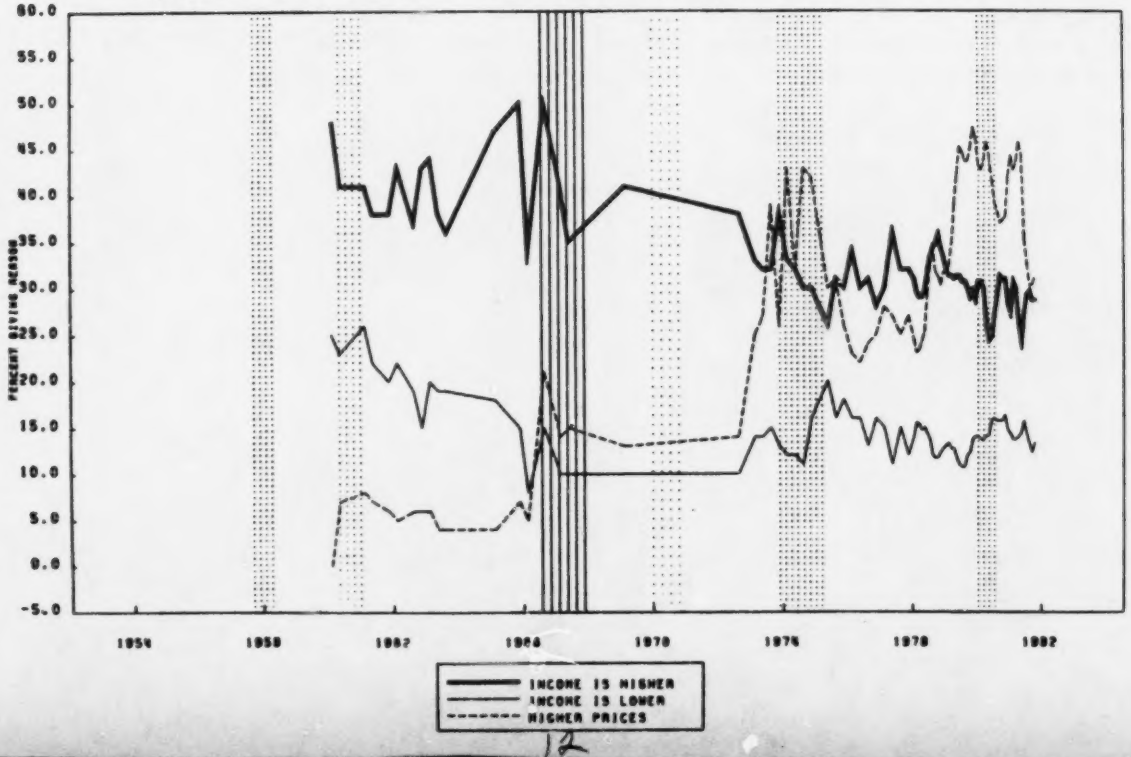


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
BETTER OFF THAN YEAR AGO:													
Income is higher	29%	31%	25%	26%	25%	26%	22%	31%	29%	28%	32%	26%	28%
WORSE OFF THAN YEAR AGO:													
Income is lower	15	16	13	14	16	17	17	14	16	13	11	13	16
Higher prices	39	39	48	46	47	40	38	34	34	30	27	34	33

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES

EXPECTED CHANGE IN FINANCIAL SITUATION

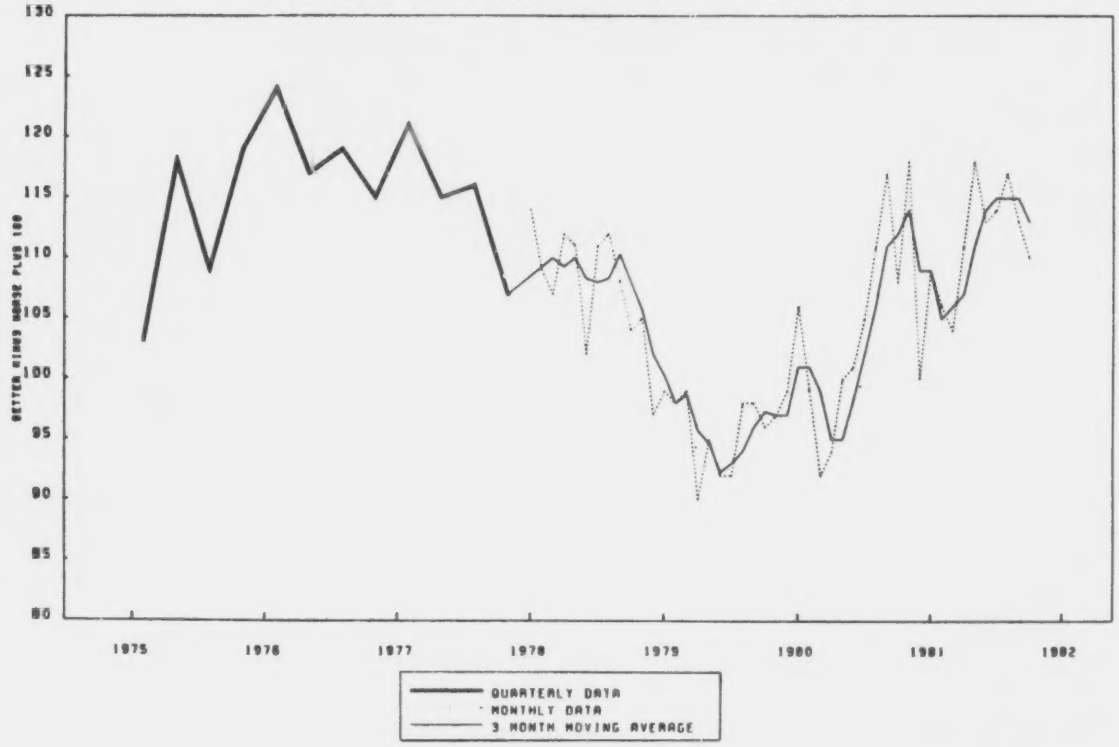


CHART 6 - HISTORICAL SERIES

EXPECTED CHANGE IN FINANCIAL SITUATION

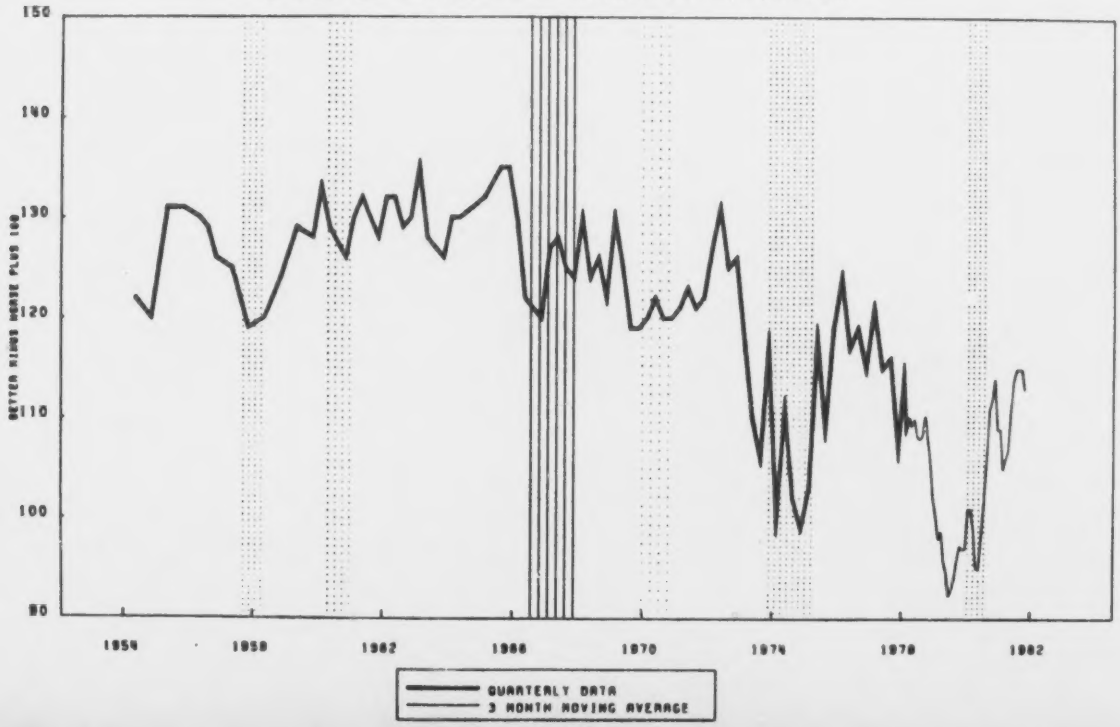


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
BETTER OFF	25%	35%	25%	27%	26%	28%	30%	34%	32%	29%	34%	31%	29%
SAME	50	42	45	48	48	45	47	48	44	52	46	45	49
WORSE OFF	17	17	25	18	20	24	19	16	19	15	17	18	19
DK,NA	8	6	5	7	6	3	4	2	5	4	3	6	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES

TREND IN PERSONAL FINANCIAL SITUATION

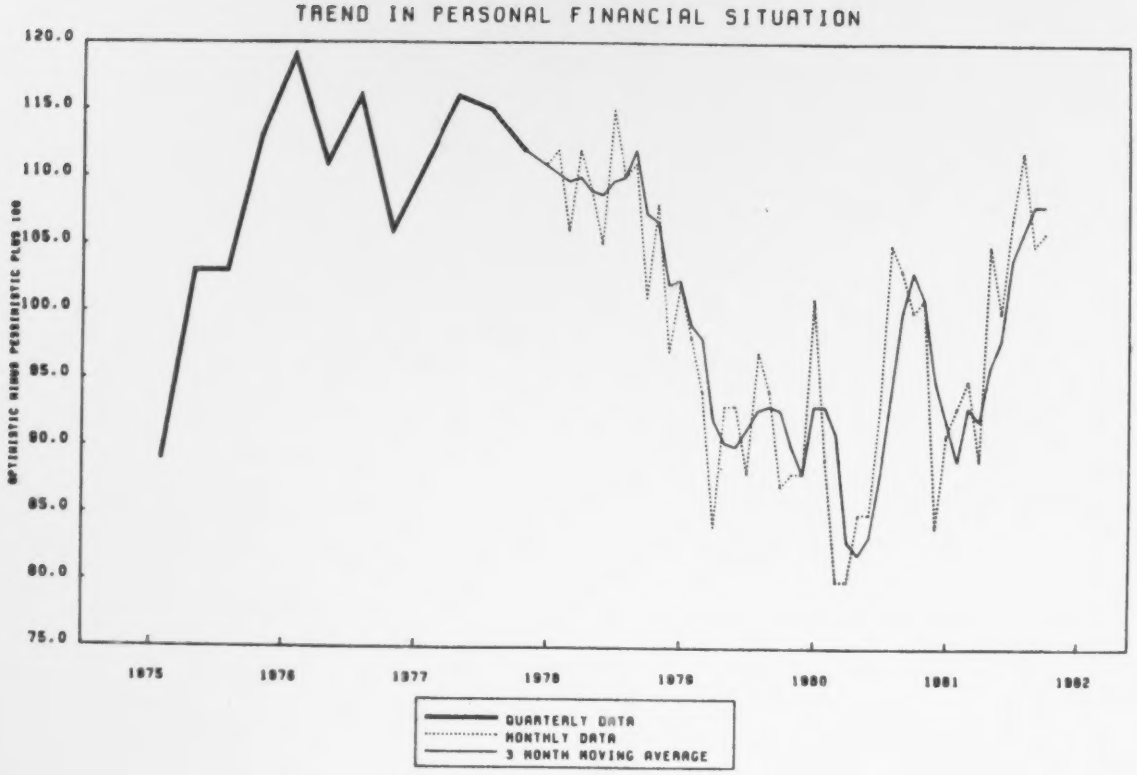


CHART 7 - HISTORICAL SERIES

TREND IN PERSONAL FINANCIAL SITUATION

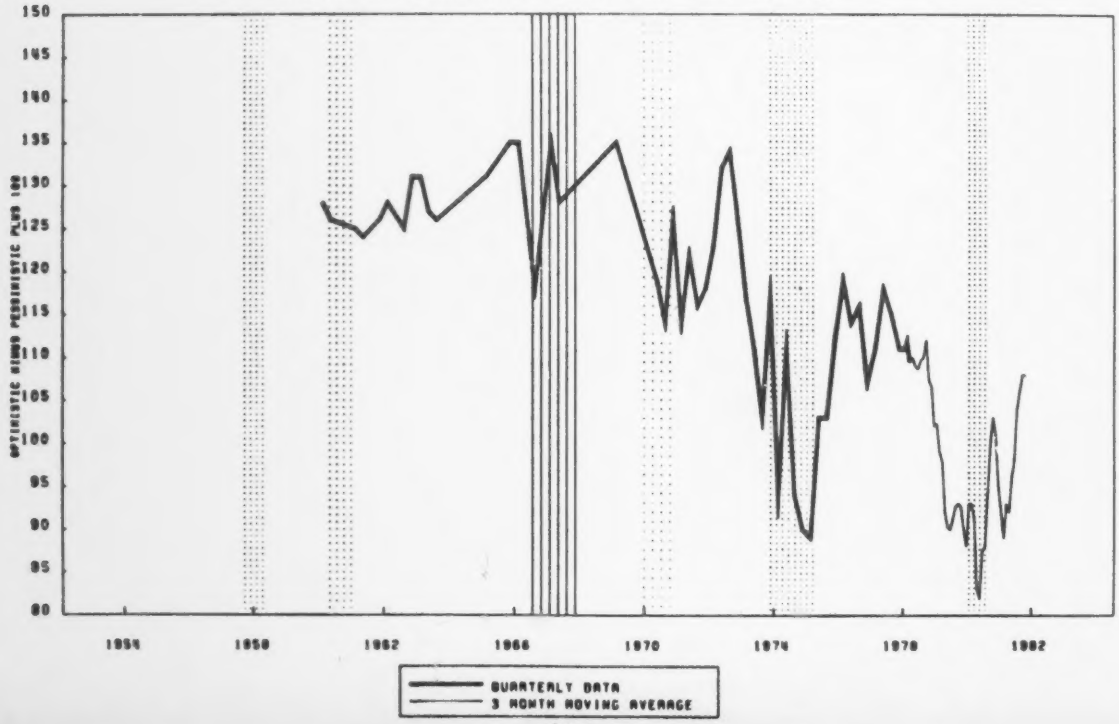


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	12%	13%	9%	10%	8%	12%	11%	15%	13%	15%	14%	16%	13%
Intermittant increase (b)	20	19	18	17	20	19	16	23	22	22	25	19	21
Remain unchanged (c)	18	13	12	16	15	15	14	15	14	19	18	17	21
Intermittant decline (d)	21	22	28	25	23	22	27	25	24	21	18	19	15
Continuous decline (e)	11	9	15	11	12	14	11	8	11	9	9	11	13
Mixed change (f)	10	18	13	14	16	14	15	12	11	9	12	12	14
DK,NA	8	6	5	7	6	4	6	2	5	5	4	6	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES

MEDIAN EXPECTED CHANGE IN FAMILY INCOME

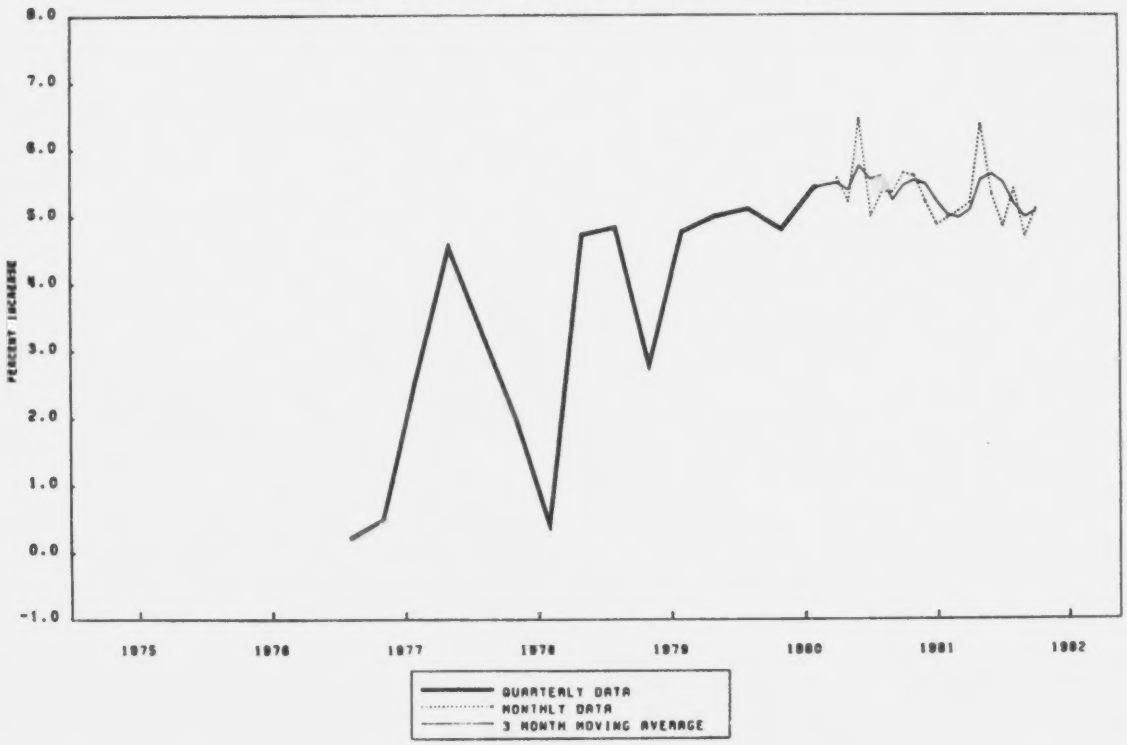


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
EXPECT INCREASE:													
1-4%	8%	5%	8%	6%	8%	7%	6%	6%	6%	7%	5%	6%	6%
5%	7	10	7	8	7	9	8	10	10	7	8	9	10
6-9%	15	10	12	10	10	11	11	11	10	10	9	10	13
10-24%	21	26	22	21	20	21	22	28	25	21	27	23	21
25% or more	7	7	7	6	7	7	7	8	7	10	6	6	6
DK how much up	10	8	8	9	9	9	9	7	7	5	6	6	6
EXPECT SAME	21	24	22	24	24	21	25	19	21	24	26	27	24
EXPECT DOWN	9	7	11	12	11	12	10	8	11	13	9	12	12
DK,NA	2	3	3	4	4	3	2	3	3	3	4	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES

INCOME OR PRICES UP MORE DURING THE LAST YEAR

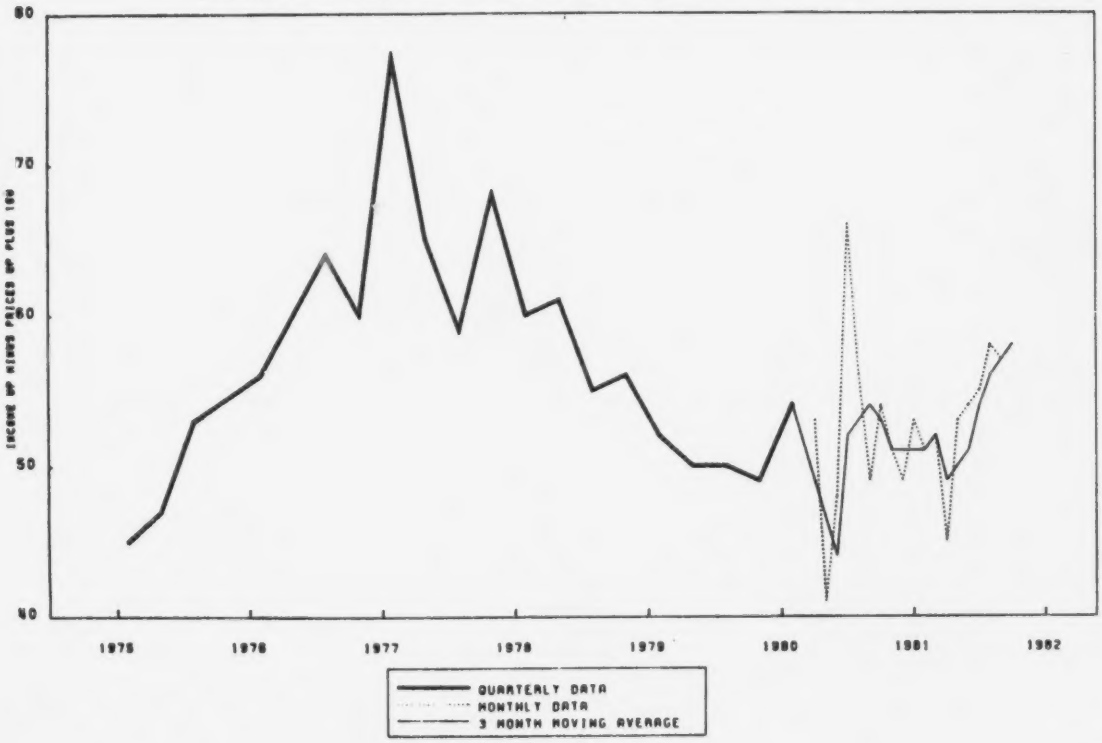


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
INCOME UP MORE	13%	10%	11%	13%	10%	13%	9%	12%	13%	13%	14%	13%	13%
INCOME UP SAME	25	30	24	25	28	24	26	28	26	25	29	31	30
PRICES UP MORE	59	59	62	60	59	61	64	59	59	58	56	56	55
DK,NA	3	1	3	2	3	2	1	1	2	4	1	*	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

* : Less than half of one percent.

CHART 10 - RECENT CHANGES

INCOME OR PRICES UP MORE NEXT YEAR

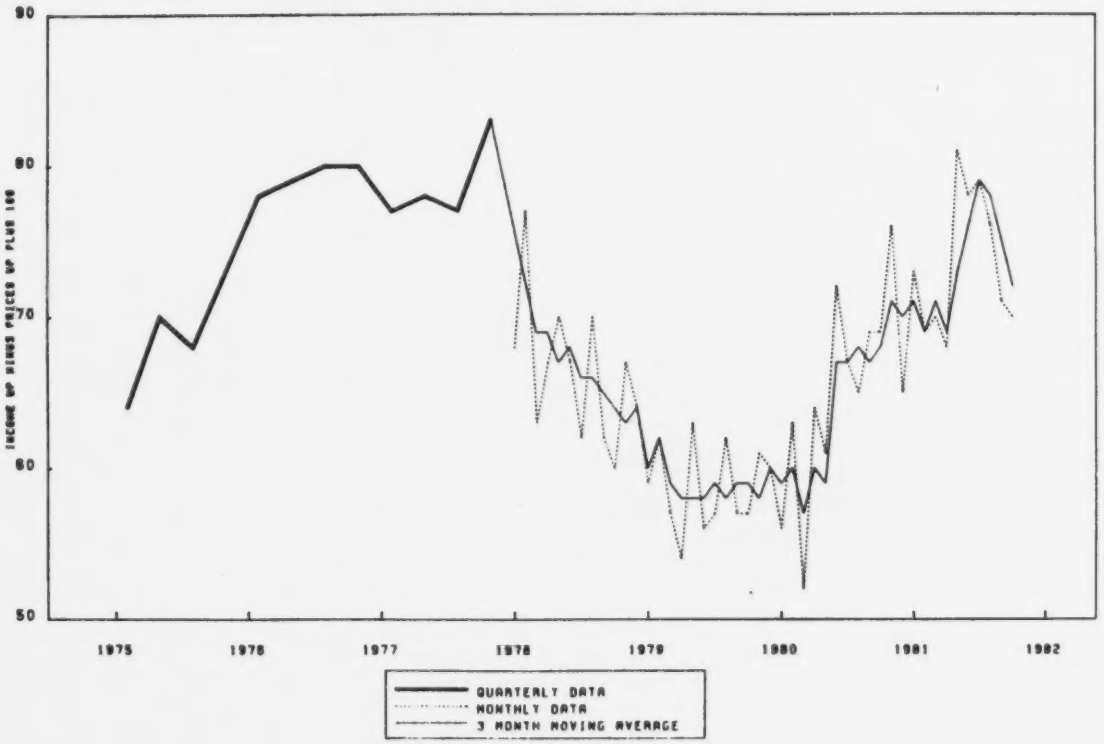


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
INCOME UP MORE	12%	16%	12%	14%	11%	14%	13%	19%	16%	17%	16%	13%	14%
INCOME UP SAME	42	42	36	39	43	38	39	41	43	41	40	42	40
PRICES UP MORE	43	40	47	41	42	44	45	38	38	38	40	42	44
DK,NA	3	2	5	6	4	4	3	2	3	4	4	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES

TREND IN INCOME AND PRICE COMPARISON

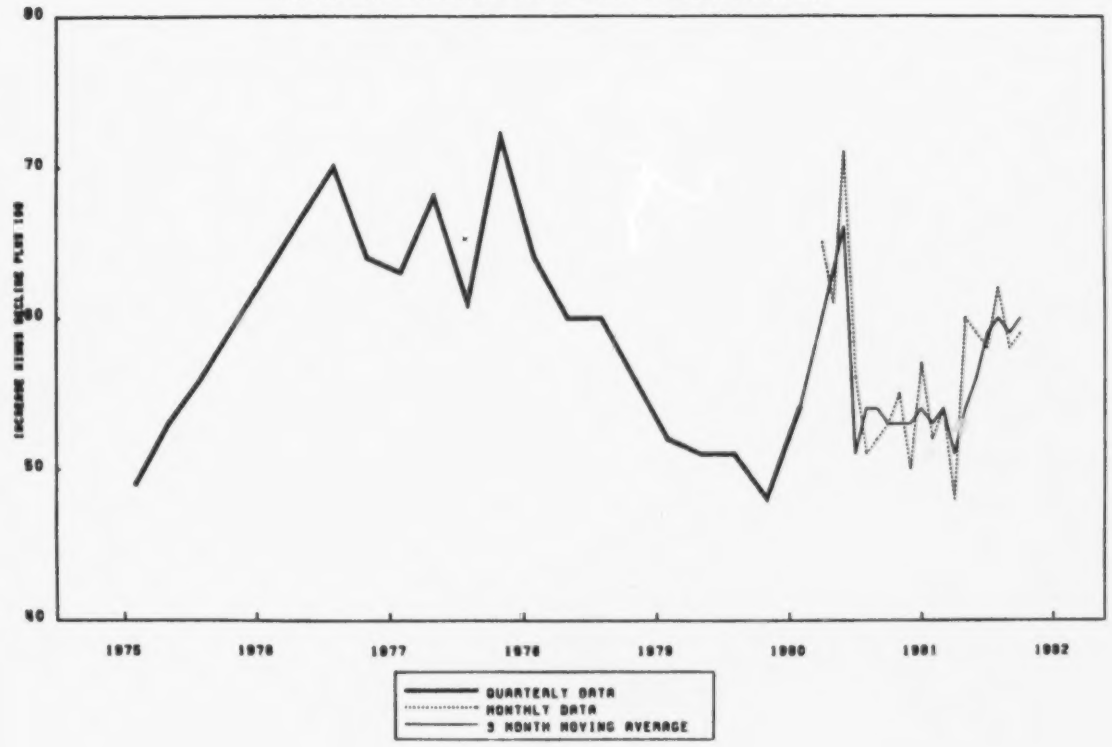


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
REAL INCOME PROGRESS:													
Continuous increase (a)	6%	6%	5%	6%	4%	6%	4%	6%	6%	8%	7%	5%	5%
Intermittant increase (b)	6	9	7	8	8	9	7	10	10	7	8	11	10
Remain unchanged (c)	18	17	14	17	18	14	17	16	17	16	20	19	18
Intermittant decline (d)	25	27	24	22	25	26	25	25	25	25	21	24	21
Continuous decline (e)	34	33	38	35	35	35	38	31	32	32	32	34	35
Mixed change (f)	7	5	6	6	5	5	6	9	6	7	8	4	8
DK,NA	4	3	6	6	5	5	3	3	4	5	4	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

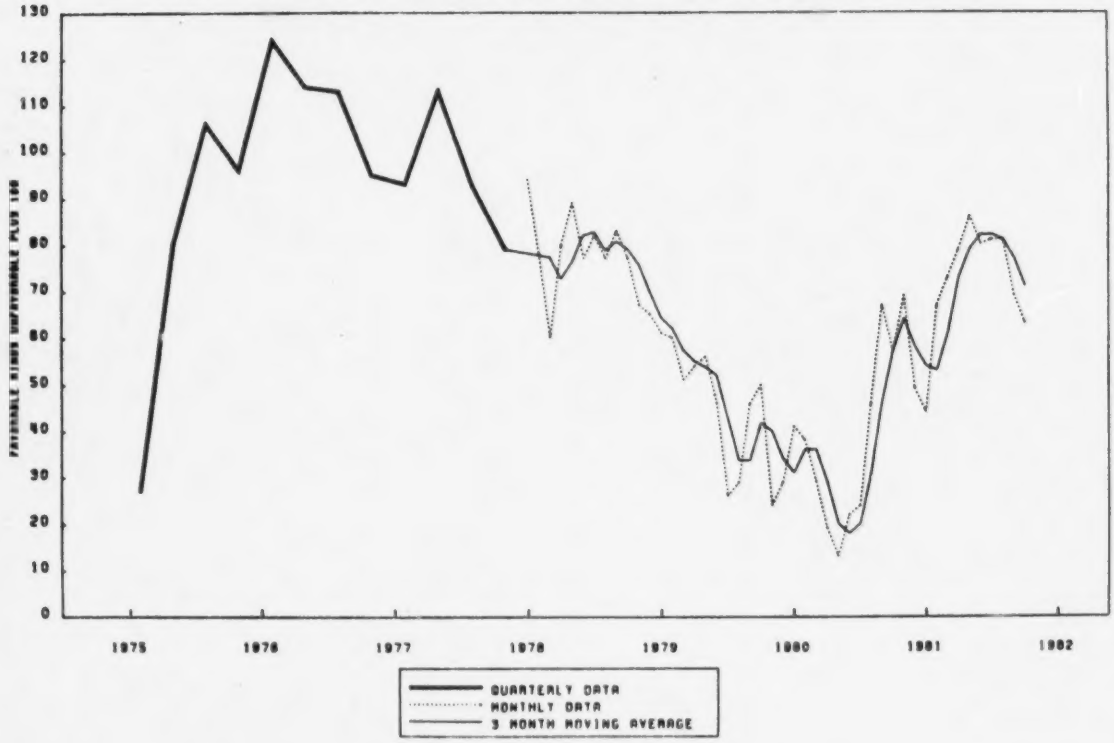


CHART 12 - HISTORICAL SERIES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

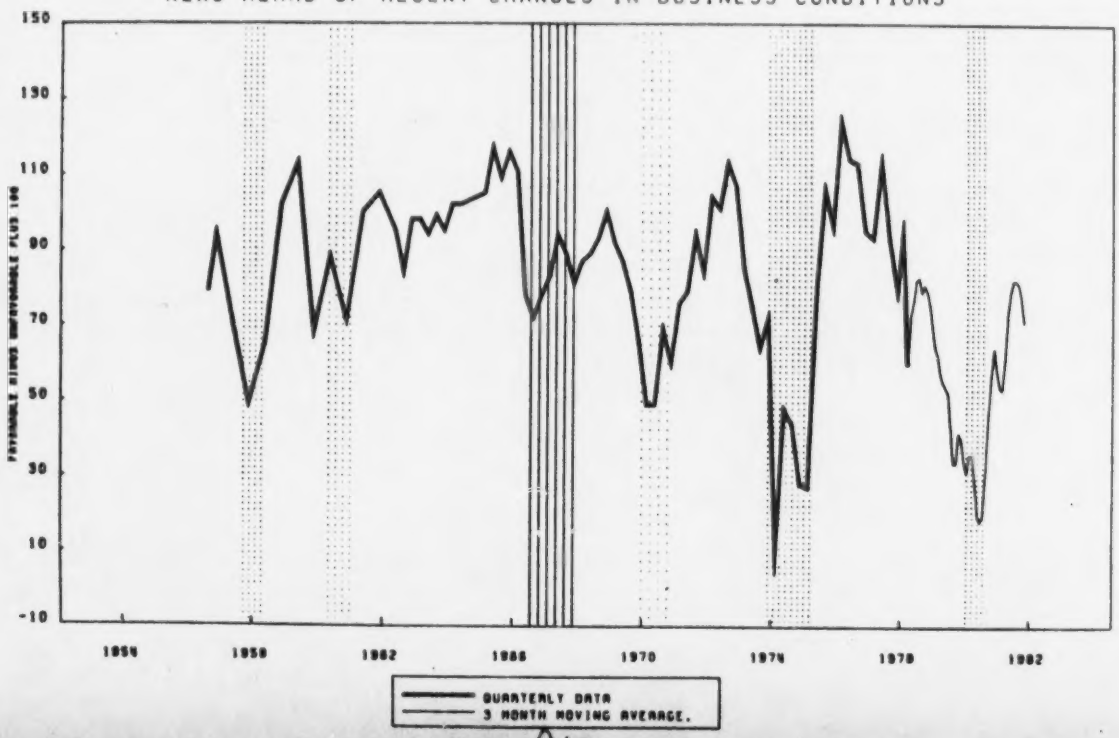


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
FAVORABLE NEWS	29%	27%	17%	19%	23%	30%	28%	31%	24%	27%	28%	24%	22%
UNFAVORABLE NEWS	72	58	68	75	56	57	49	45	44	46	47	55	59
NO MENTIONS	33	47	44	39	46	42	47	47	52	51	48	47	45

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

TABLE 13

SELECTED ITEMS OF
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
FAVORABLE NEWS:													
Government; elections	1%	7%	4%	4%	9%	9%	6%	4%	6%	4%	7%	8%	5%
Employment	10	7	5	4	5	8	7	8	4	7	8	6	4
Consumer demand high	3	2	1	2	1	1	3	4	1	3	2	1	1
Prices are low	2	1	*	*	1	1	2	2	3	4	2	*	1
Credit is easy	3	1	*	3	3	4	5	2	2	2	2	2	3
UNFAVORABLE NEWS:													
Government; elections	4	3	2	4	5	7	7	4	4	5	6	5	5
Unemployment	26	21	18	19	15	19	19	14	16	16	17	19	20
Consumer demand low	8	8	11	14	9	10	6	6	3	4	5	3	6
Prices are high	10	9	8	11	10	6	6	4	5	5	3	5	3
Credit is tight	12	9	19	14	7	4	4	7	9	7	7	10	10
Energy crisis	1	*	1	1	*	1	*	*	*	*	1	1	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

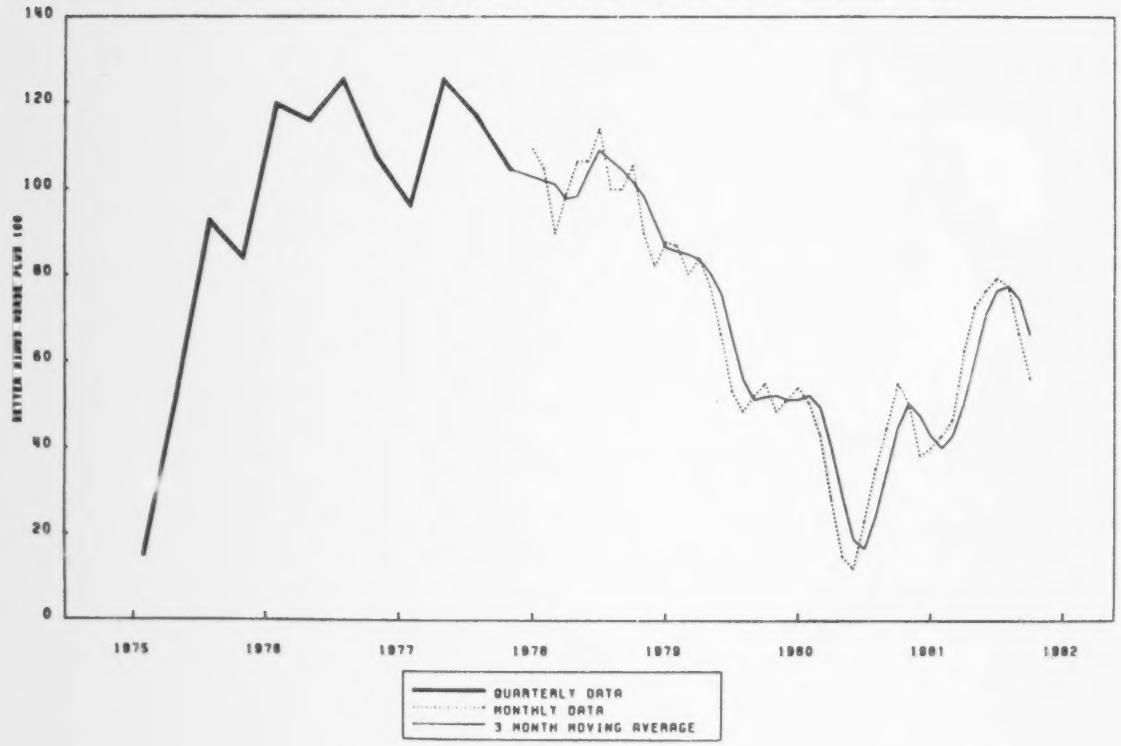


CHART 14 - HISTORICAL SERIES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

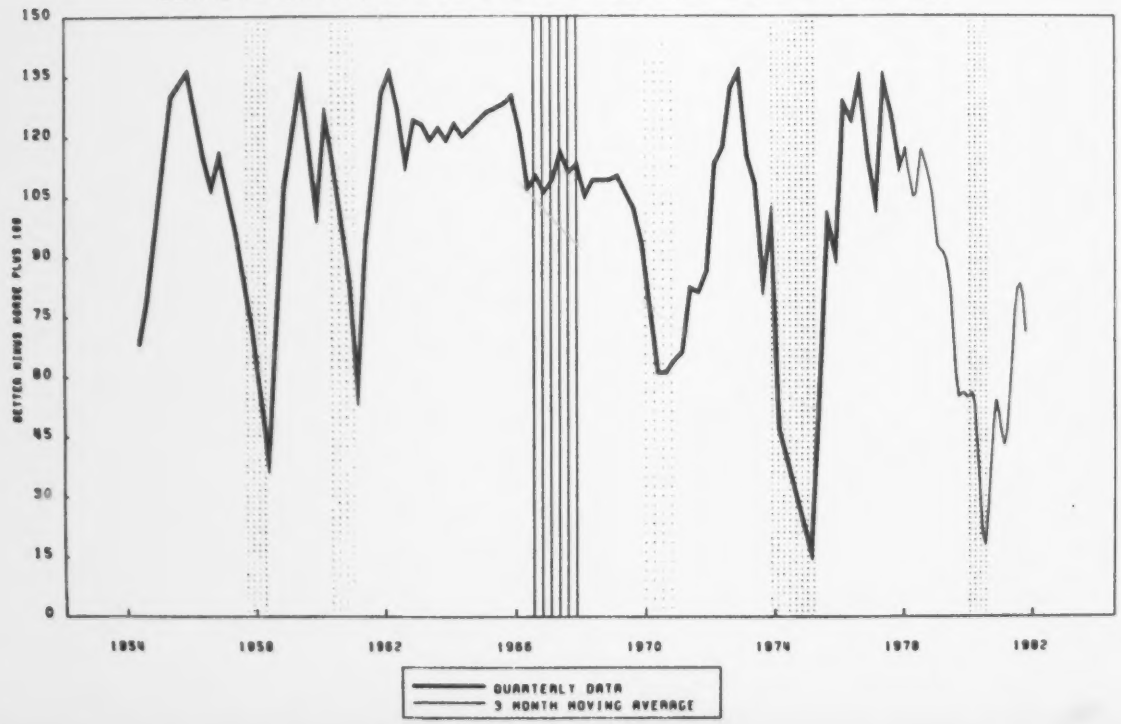


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
BETTER NOW	23%	21%	13%	14%	14%	17%	24%	30%	31%	32%	33%	28%	23%
SAME	10	10	12	13	15	14	17	17	18	18	15	12	12
WORSE NOW	64	67	72	71	68	67	57	52	49	47	50	57	63
DK,NA	3	2	3	2	3	2	2	1	2	3	2	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

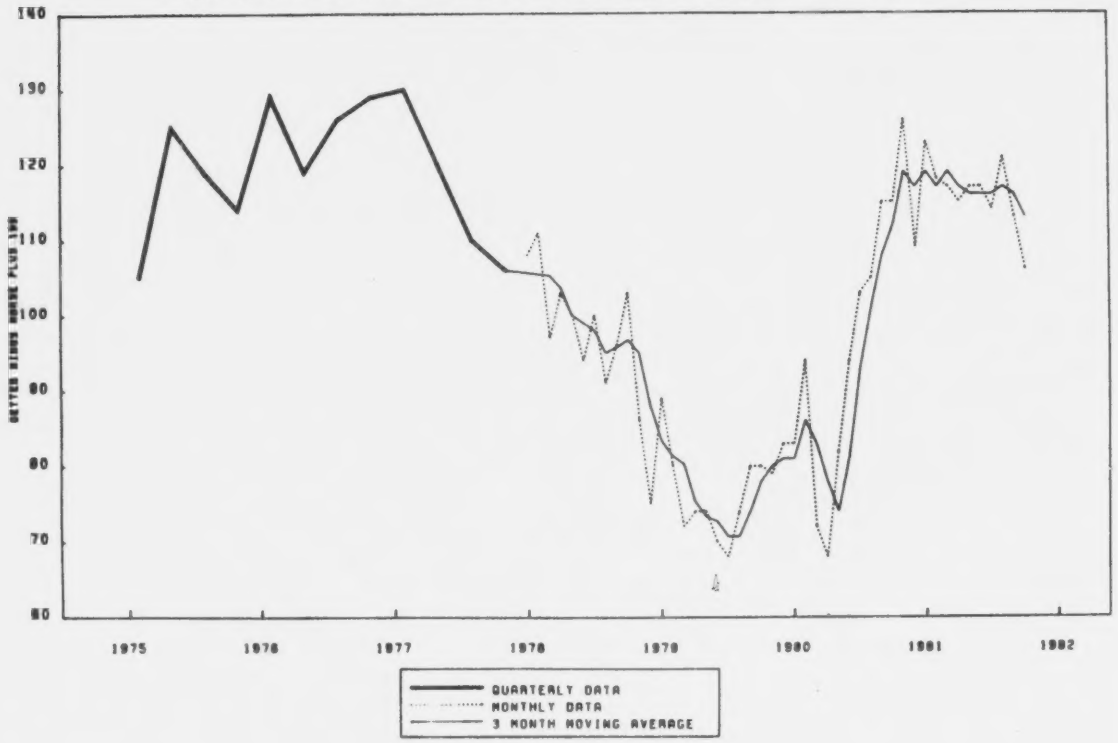


CHART 15 - HISTORICAL SERIES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

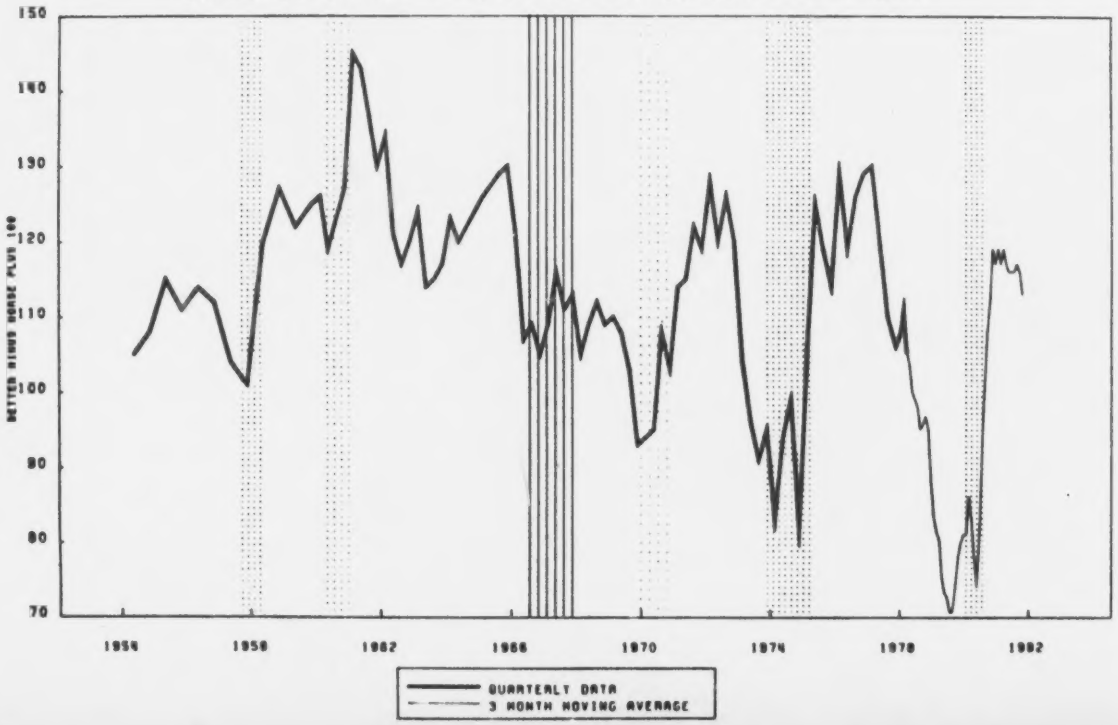


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
BETTER	33%	40%	29%	39%	34%	38%	36%	36%	36%	34%	38%	32%	31%
SAME	44	42	46	42	46	38	41	44	42	44	43	45	41
WORSE	18	14	20	16	16	21	21	19	19	20	17	19	25
DK,NA	5	4	5	3	4	3	2	1	3	2	2	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
FAVORABLE REASONS:													
Government; elections	16%	34%	27%	35%	32%	32%	31%	25%	25%	21%	29%	24%	19%
Employment	5	5	3	4	2	4	4	4	3	3	3	2	6
Higher consumer demand	5	3	2	2	3	2	2	2	3	2	3	4	2
Lower prices	3	2	3	2	2	3	2	3	2	4	3	2	1
Easier credit	2	3	2	4	2	2	2	3	4	3	4	4	6
UNFAVORABLE REASONS:													
Government; elections	11	7	8	7	7	9	8	8	12	11	12	11	15
Unemployment	4	5	8	7	6	6	6	5	8	9	6	7	7
Lower consumer demand	2	2	6	5	4	4	5	4	4	5	3	6	4
Higher prices	10	8	10	8	12	8	10	6	8	7	4	9	7
Tighter credit	2	2	7	4	2	2	2	3	3	5	6	8	5
Energy crisis	1	1	*	1	1	1	*	*	1	*	*	*	1

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

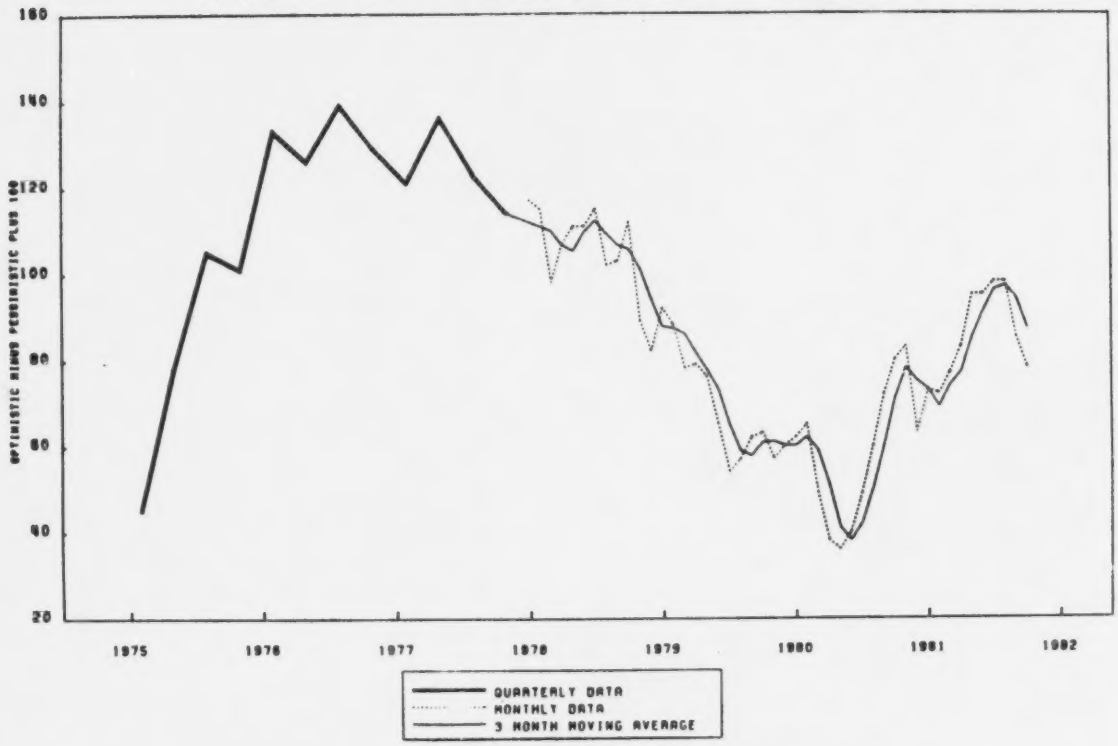


CHART 17 - HISTORICAL SERIES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

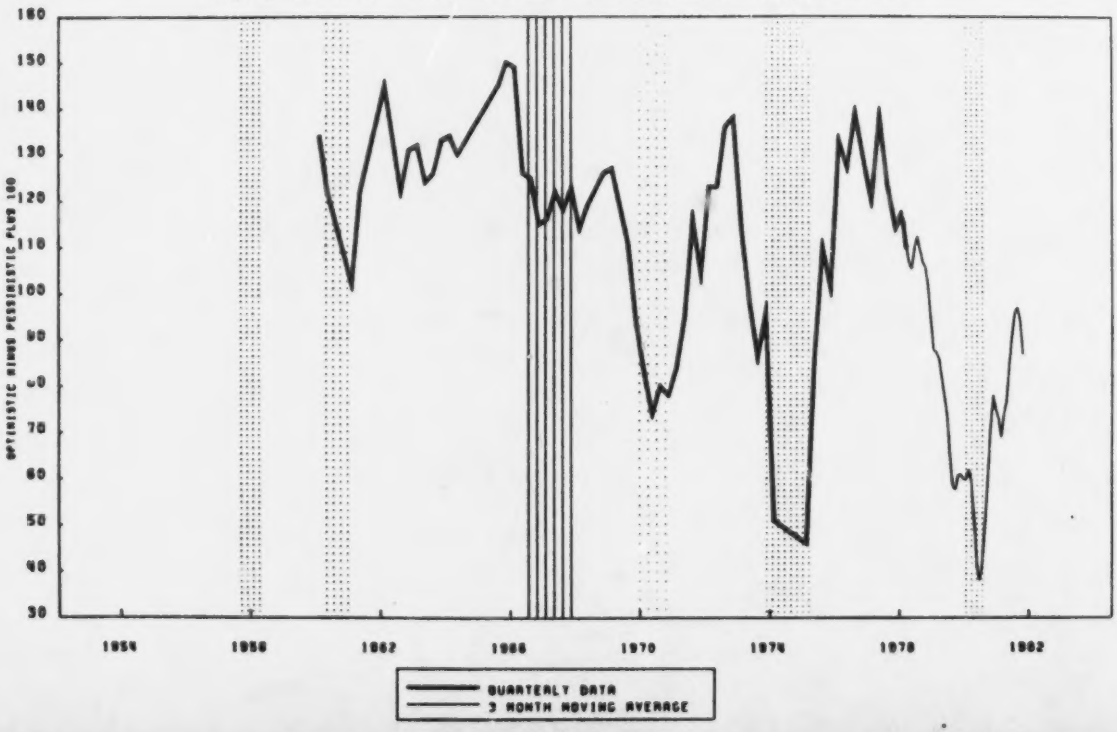


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
TREND:													
Continuous increase (a)	9%	11%	5%	6%	7%	9%	15%	14%	19%	15%	18%	14%	12%
Intermittant increase (b)	13	14	10	11	12	12	13	17	16	21	17	16	14
Remain unchanged (c)	5	4	5	7	7	6	8	10	8	8	7	6	4
Intermittant decline (d)	28	29	36	30	33	27	29	24	25	24	25	29	27
Continuous decline (e)	14	13	16	14	14	17	16	12	15	14	12	16	21
Mixed change (f)	23	24	21	27	21	25	16	20	12	13	18	14	17
DK,NA	8	5	7	5	6	4	3	3	5	5	3	5	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

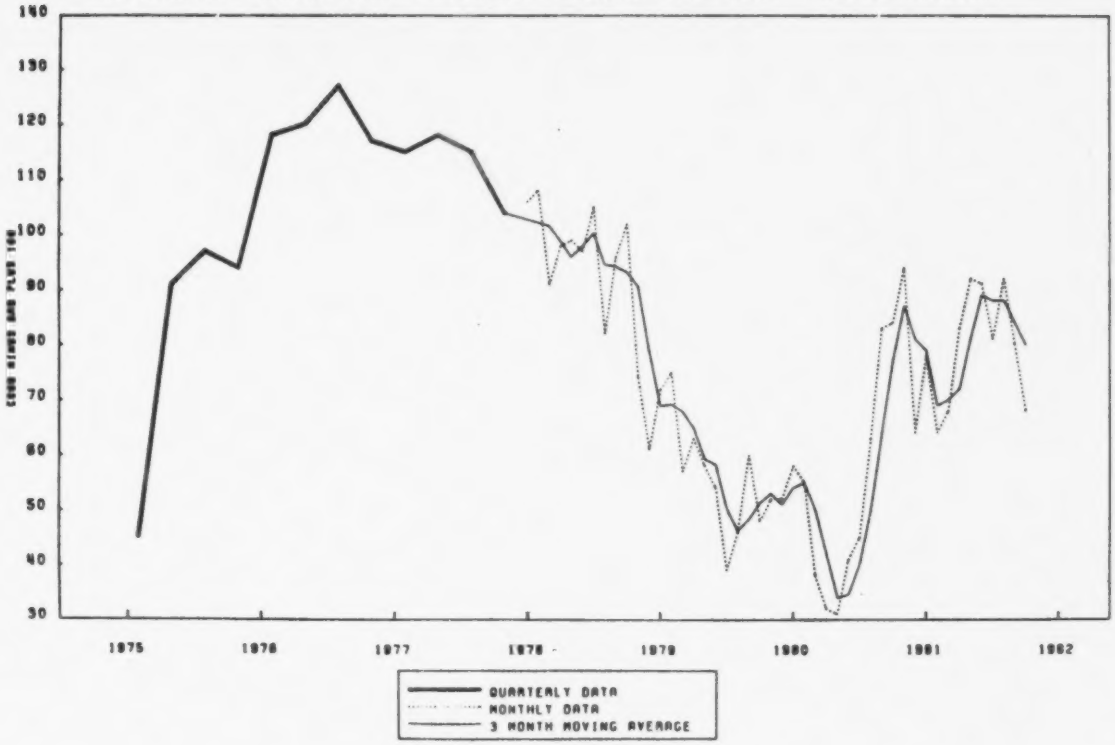


CHART 18 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

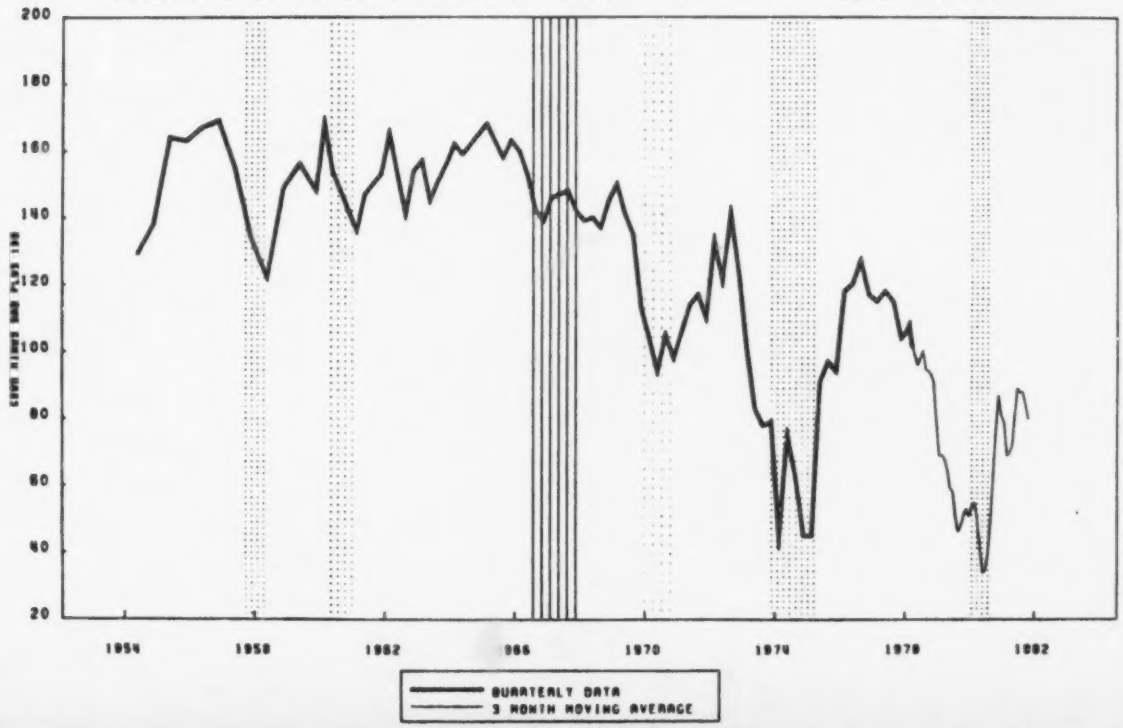


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
GOOD TIMES	33%	39%	26%	31%	26%	27%	36%	41%	41%	35%	40%	33%	25%
UNCERTAIN; GOOD & BAD	2	2	1	2	2	3	3	3	2	2	4	3	3
BAD TIMES	49	45	62	53	62	59	53	49	50	54	48	53	57
DON'T KNOW	8	8	7	10	6	6	6	5	5	5	5	6	8
NOT ASCERTAINED	8	6	4	4	4	5	2	2	2	4	3	5	7
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

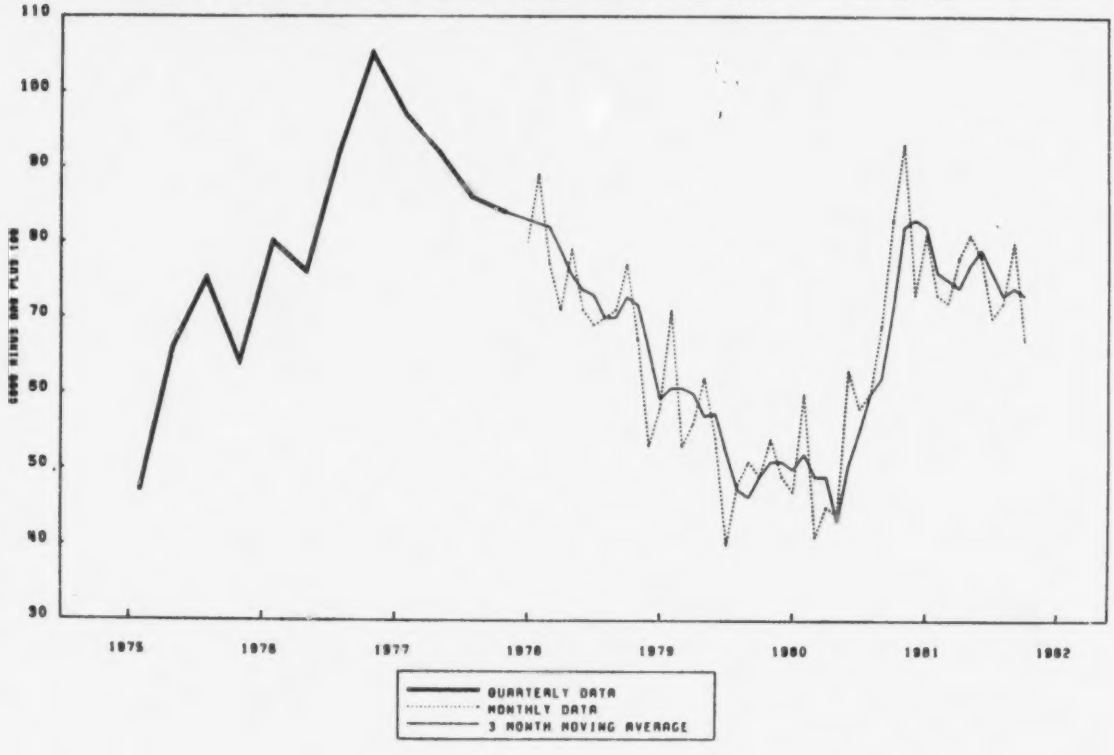


CHART 19 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

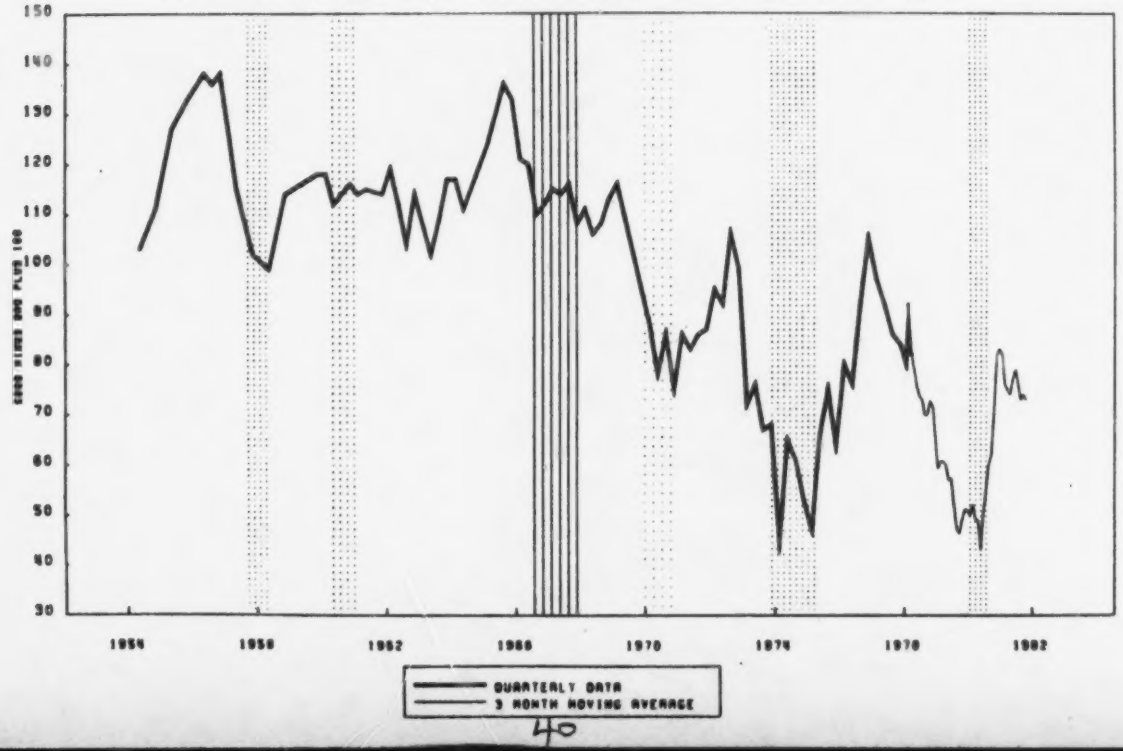


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
GOOD TIMES	27%	36%	25%	30%	28%	27%	30%	33%	33%	27%	28%	30%	24%
UNCERTAIN; GOOD & BAD	19	15	16	15	12	14	13	11	9	11	12	16	14
BAD TIMES	44	43	52	49	55	55	52	52	55	57	56	50	57
NOT ASCERTAINED	10	6	7	6	5	4	5	4	3	5	4	4	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

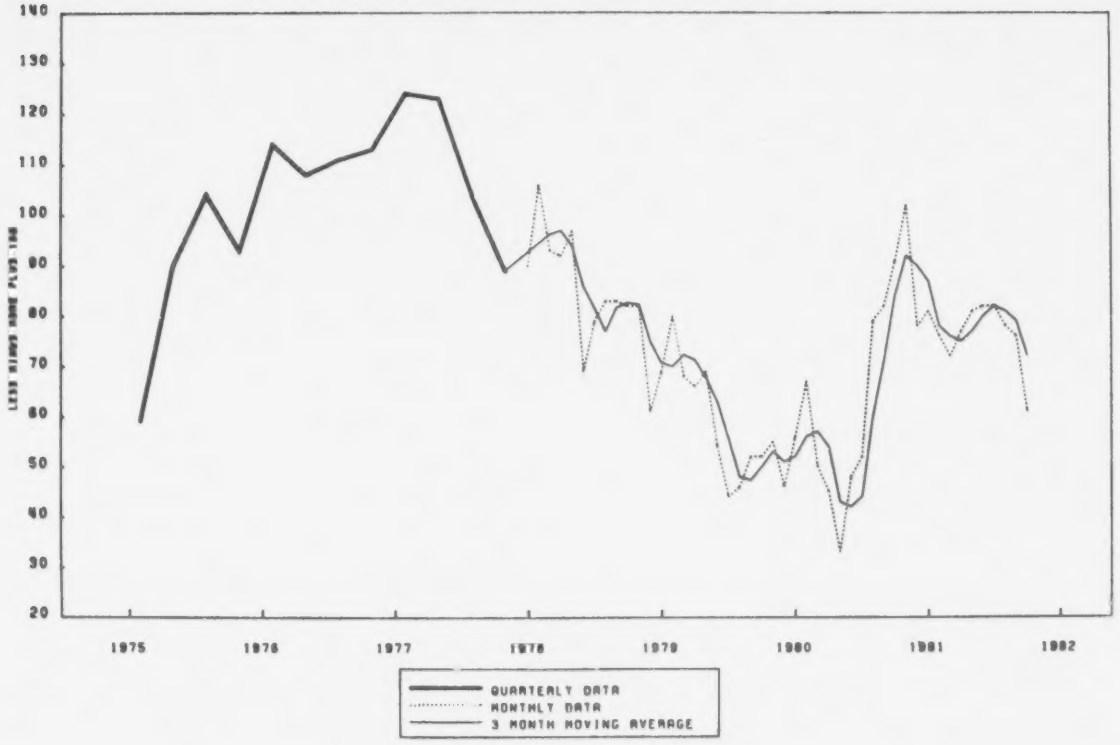


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

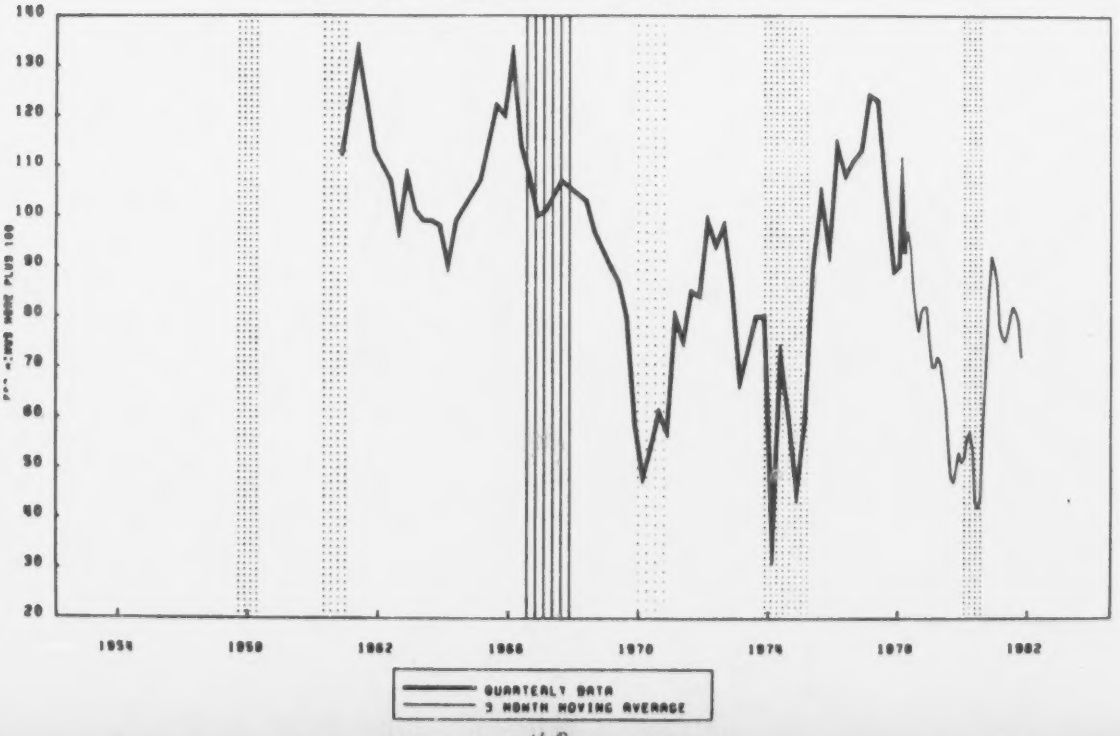


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
LESS	21%	26%	17%	19%	16%	13%	17%	17%	18%	18%	14%	15%	11%
SAME	46	47	41	41	42	43	41	46	44	44	47	45	38
MORE	30	24	39	38	40	41	40	36	36	36	36	39	50
DK,NA	3	3	3	2	2	3	2	1	2	2	3	1	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

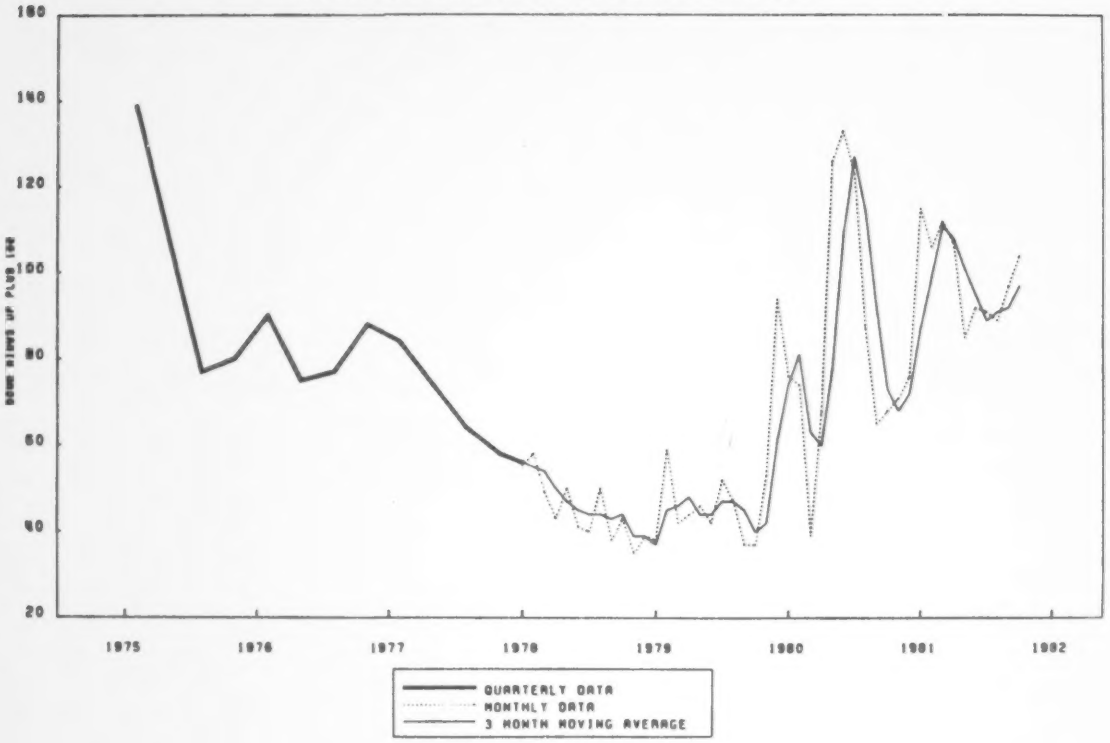


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

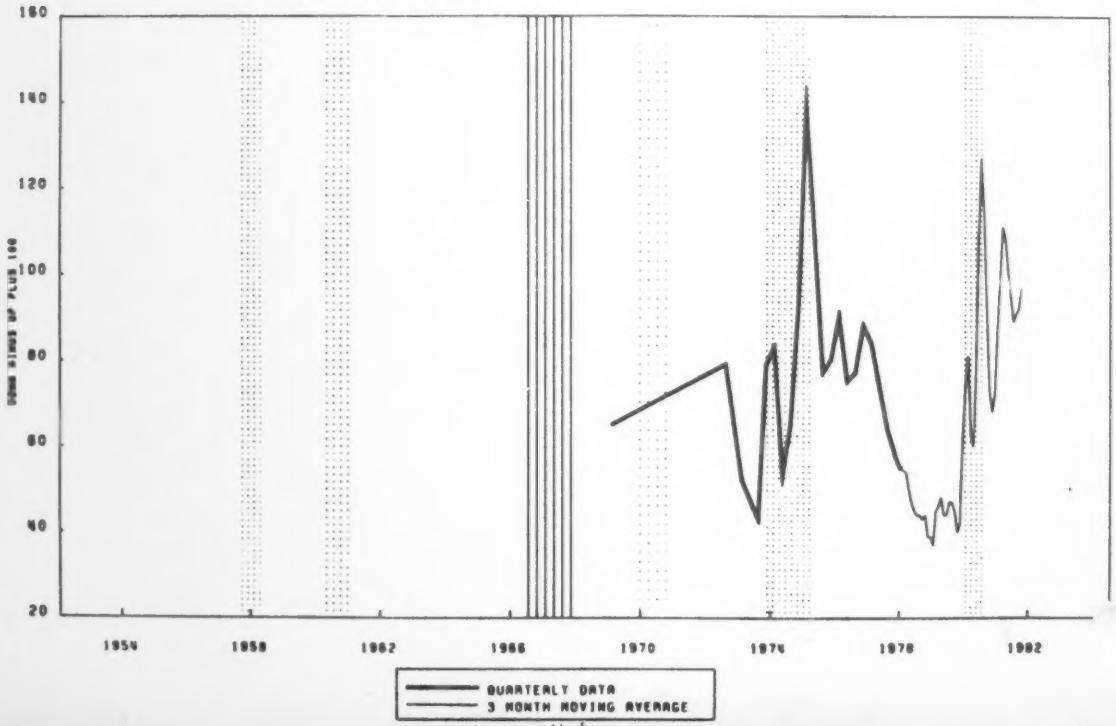


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
GO UP	49%	51%	53%	29%	31%	29%	31%	41%	38%	38%	37%	33%	31%
STAY THE SAME	26	22	14	20	24	26	27	30	27	28	34	33	30
GO DOWN	17	22	29	44	37	41	38	26	30	29	26	30	35
DK,NA	8	5	4	7	8	4	4	3	5	5	3	4	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

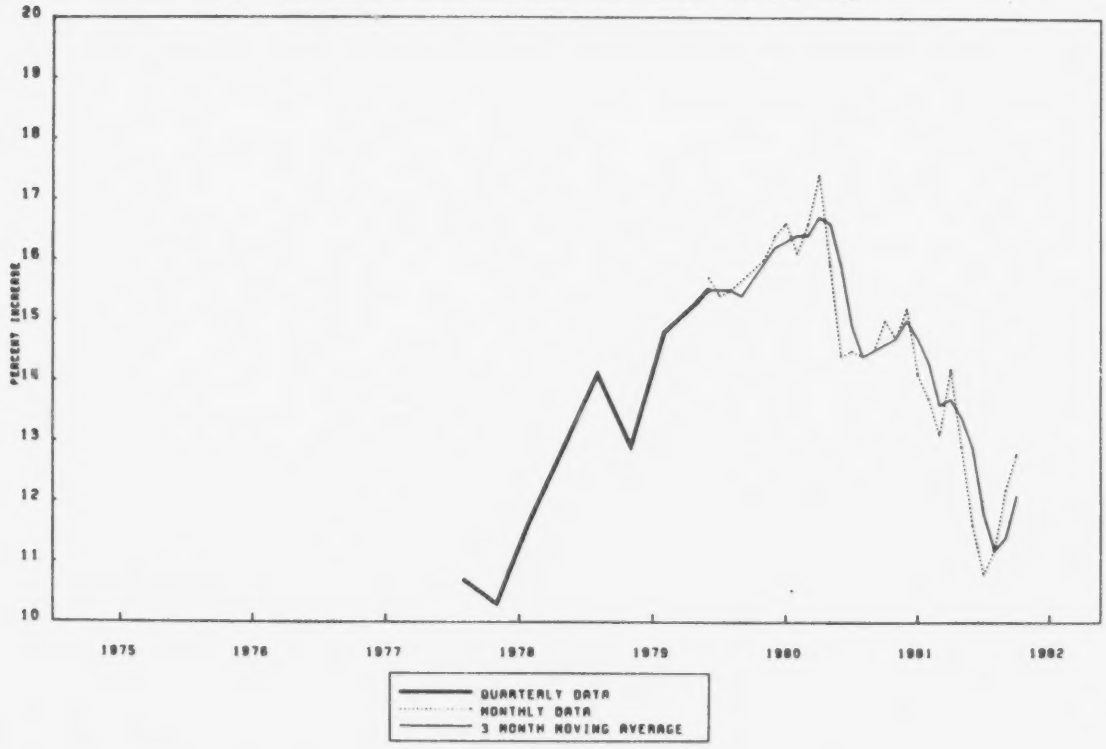


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
SAME OR DOWN	2%	3%	2%	3%	2%	4%	4%	5%	9%	10%	11%	10%	8%
GONE UP BY:													
1-2%	3	2	2	2	3	2	4	2	4	3	4	3	4
3-4%	4	4	3	4	4	4	5	7	6	6	7	4	5
5%	11	7	9	7	8	7	6	8	8	8	8	9	8
6-9%	11	12	9	8	8	10	12	10	10	10	10	14	11
10-14%	23	27	26	31	32	29	26	31	25	23	24	24	23
15% or more	32	29	32	28	25	25	30	27	22	20	21	23	24
DK how much up	14	16	16	17	17	18	13	10	16	20	15	12	17
DK,NA	*	*	1	*	1	1	*	*	*	*	*	1	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	15.0	14.7	15.2	14.1	13.7	13.1	14.2	12.9	11.6	10.8	11.2	12.2	12.8
VARIANCE	169	161	158	130	128	111	156	123	112	104	107	142	147
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

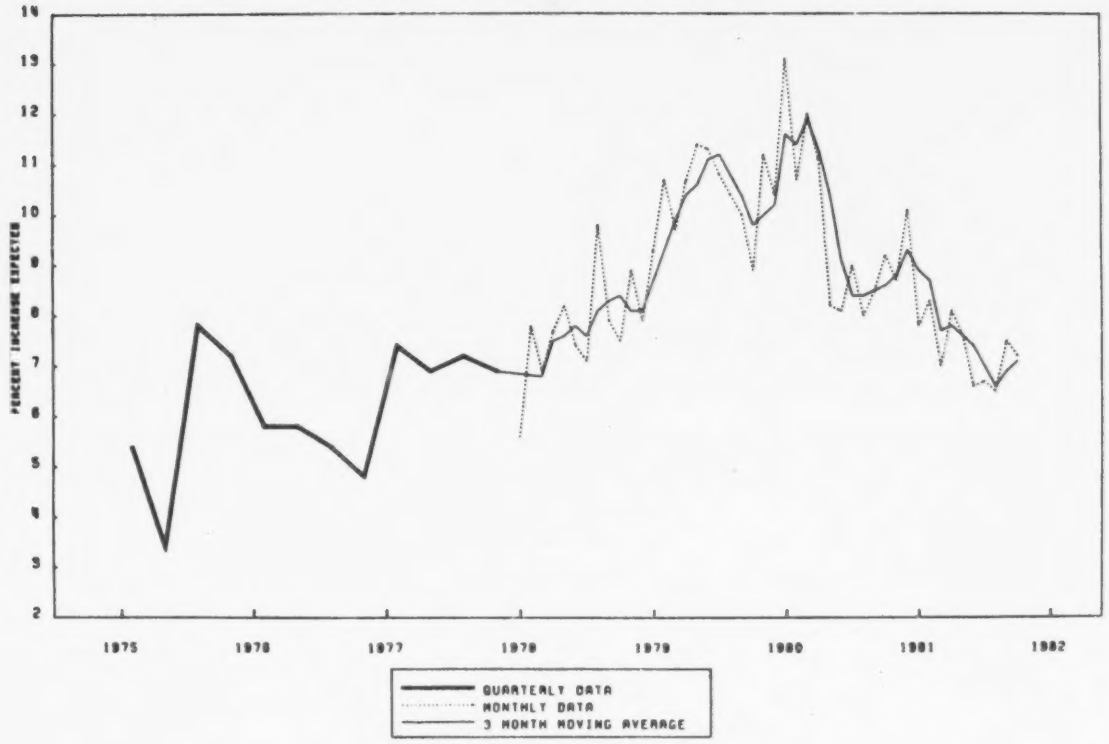


CHART 23 - HISTORICAL SERIES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

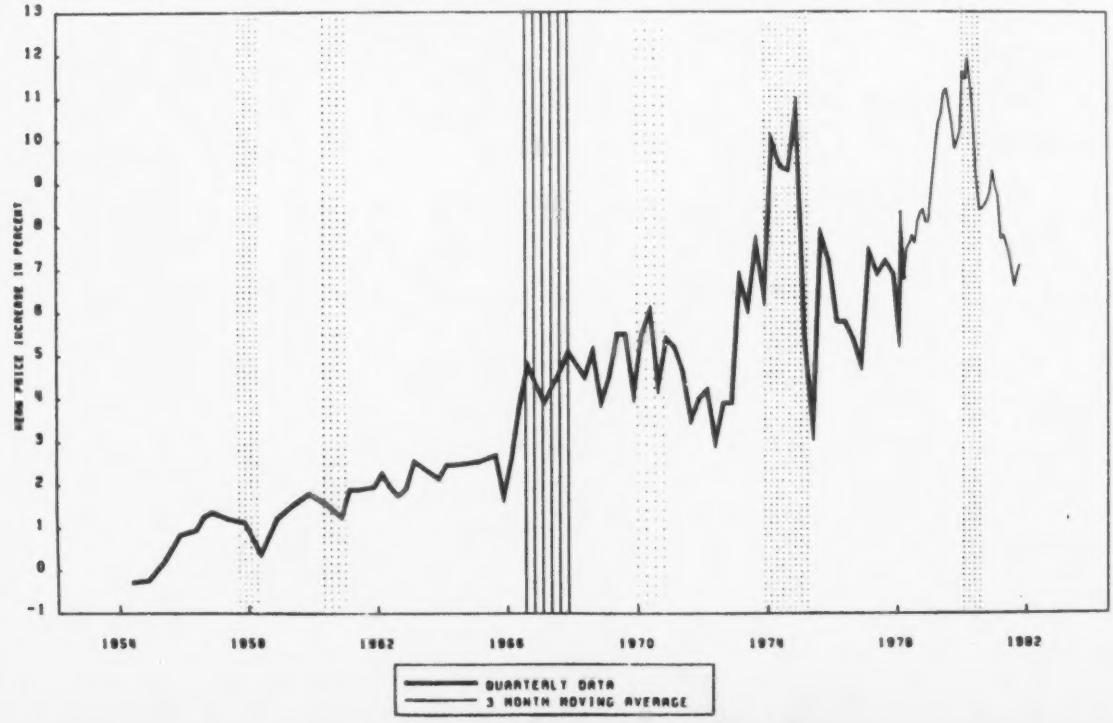


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
SAME OR DOWN	20%	25%	17%	21%	18%	26%	27%	25%	31%	31%	28%	30%	27%
WILL GO UP BY:													
1-2%	3	3	3	3	5	2	4	2	4	2	6	4	5
3-4%	6	5	5	6	9	8	7	8	6	6	6	8	6
5%	10	8	9	7	9	11	9	10	8	10	12	9	12
6-9%	10	12	11	12	12	11	9	13	12	15	11	11	13
10-14%	24	20	25	28	23	20	20	22	21	16	16	17	16
15% or more	16	14	18	9	12	9	14	11	10	10	10	13	11
DK how much up	9	11	10	11	10	11	8	7	7	10	8	7	8
DK,NA	2	2	2	3	2	2	2	2	1	*	3	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	9.2	8.7	10.1	7.8	8.3	7.0	8.1	7.6	6.6	6.7	6.5	7.5	7.2
VARIANCE	100	102	107	54	74	57	97	79	57	71	60	91	68
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

* : Less than half of one percent.

CHART 24 - RECENT CHANGES

UNEMPLOYMENT OR INFLATION MORE SERIOUS

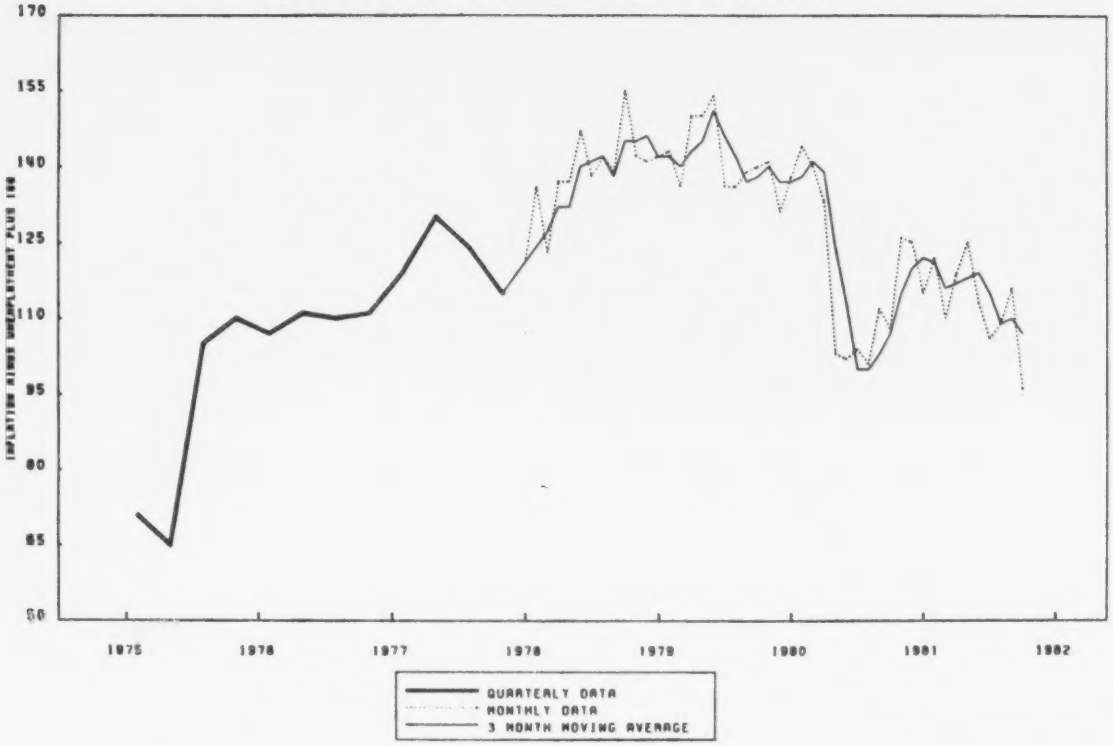


CHART 24 - HISTORICAL SERIES

UNEMPLOYMENT OR INFLATION MORE SERIOUS

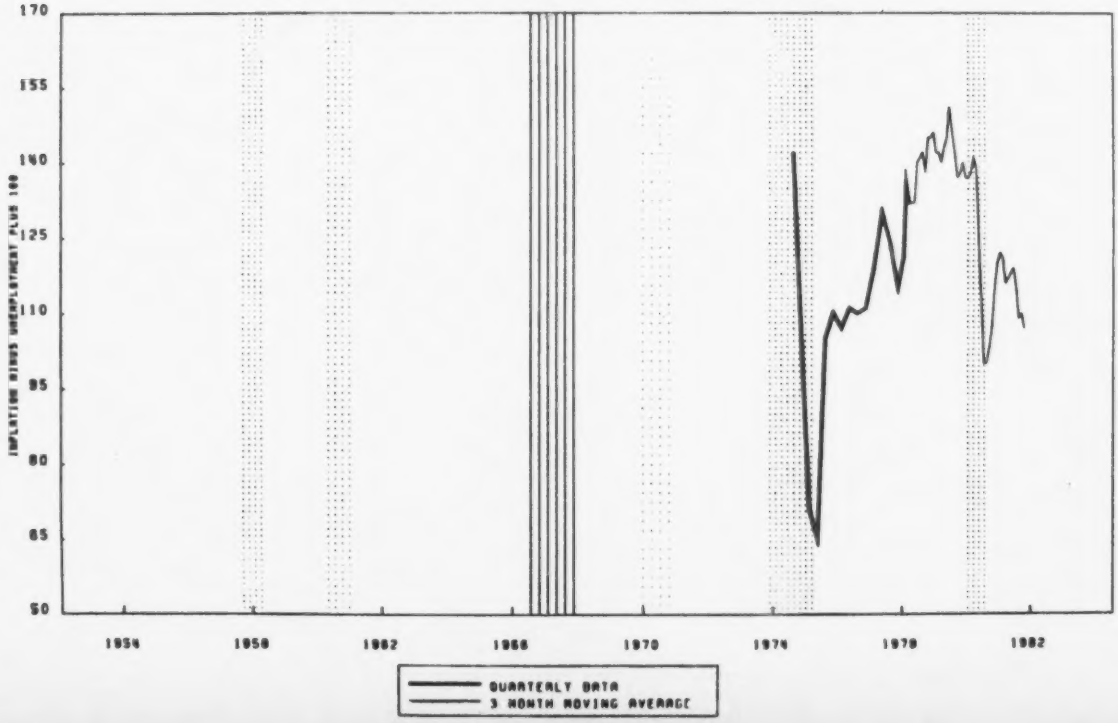


TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
UNEMPLOYMENT	40%	31%	32%	34%	34%	39%	35%	33%	36%	42%	39%	37%	45%
BOTH EQUALLY SERIOUS	11	11	9	14	8	11	8	8	14	9	11	9	12
INFLATION	48	57	57	49	56	49	54	58	49	48	48	53	41
DK,NA	1	1	2	3	2	1	3	1	1	1	2	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

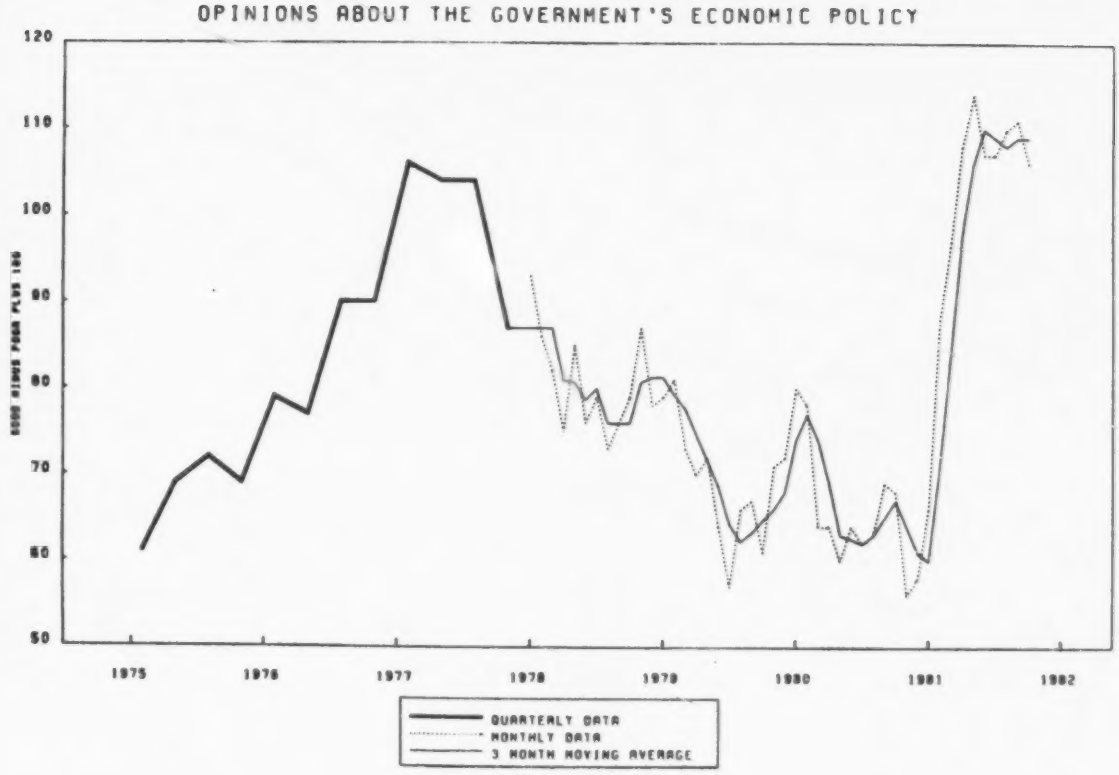


CHART 25 - HISTORICAL SERIES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

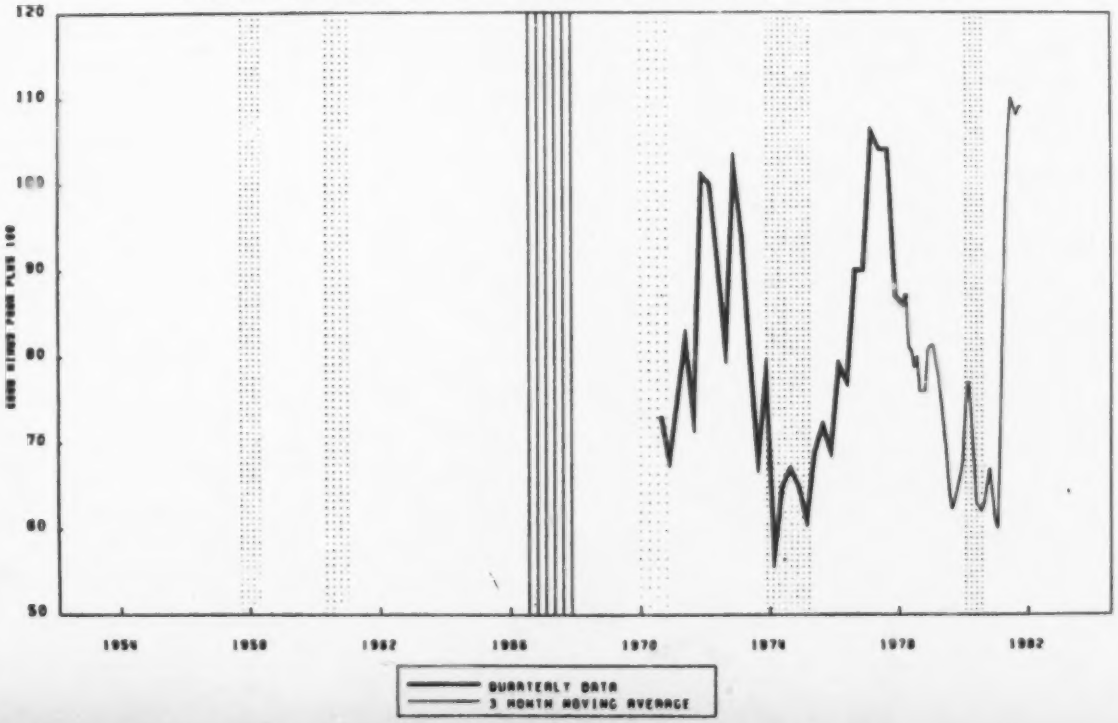


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
A GOOD JOB	8%	6%	7%	10%	19%	22%	28%	30%	25%	28%	31%	31%	31%
ONLY FAIR	50	41	42	42	40	45	47	49	54	47	44	45	41
A POOR JOB	40	50	49	44	31	25	20	16	18	21	21	20	25
DK,NA	2	3	2	4	10	8	5	5	3	4	4	4	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

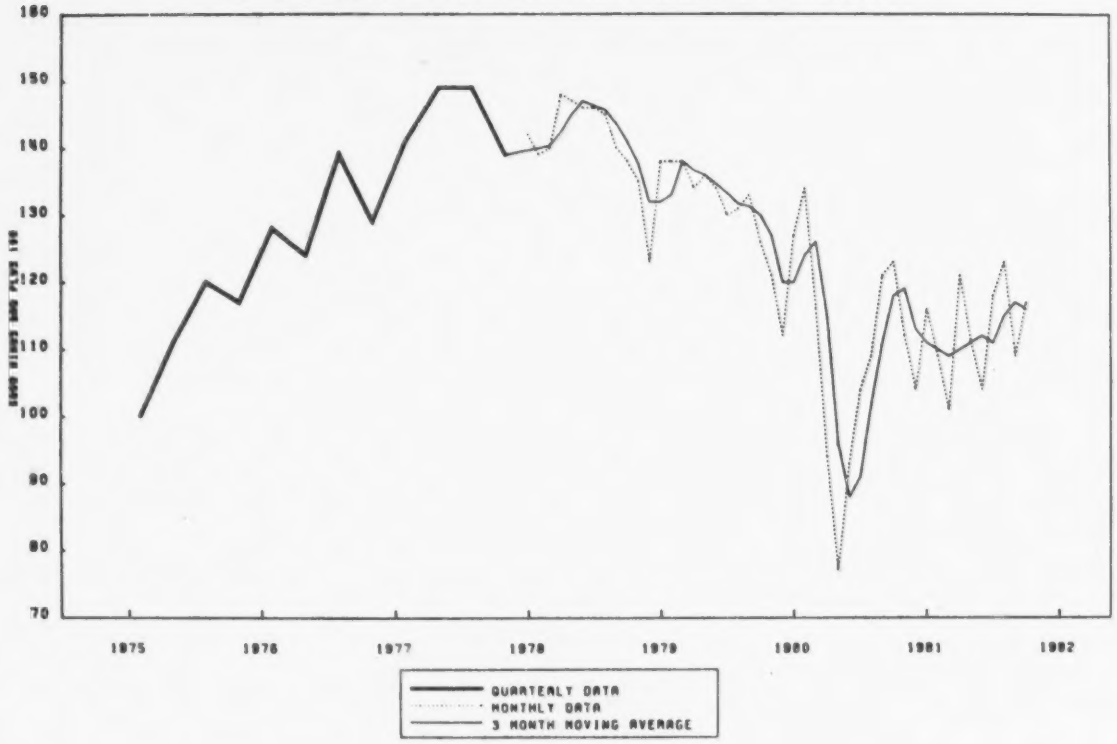


CHART 26 - HISTORICAL SERIES

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

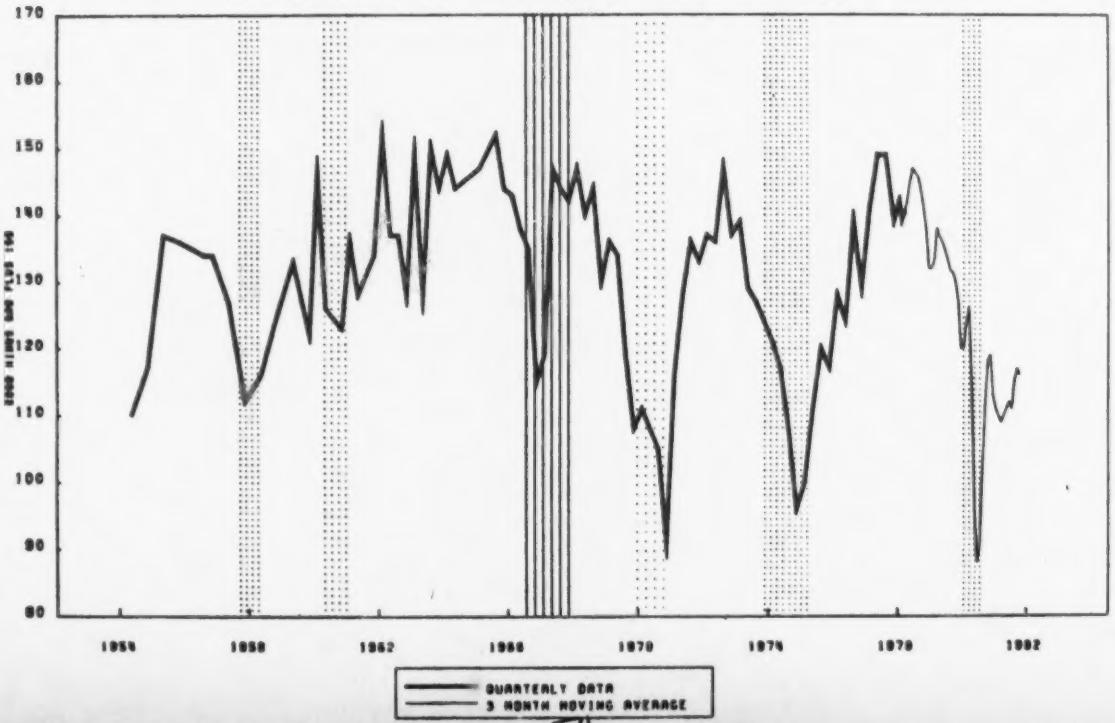


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
GOOD TIME TO BUY	55%	50%	45%	50%	47%	43%	54%	50%	44%	53%	55%	44%	52%
UNCERTAIN, DEPENDS	13	12	14	16	15	15	13	11	16	12	13	21	13
BAD TIME TO BUY	32	38	41	34	38	42	33	39	40	35	32	35	35
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
GOOD TIME TO BUY:													
Prices are low; good buys available	20%	20%	17%	23%	23%	22%	21%	16%	20%	24%	24%	20%	21%
Prices won't come down; are going higher	30	31	24	28	24	23	31	30	23	27	26	21	25
Interest rates low; credit is easy	4	2	3	2	3	1	2	3	1	2	3	1	1
BAD TIME TO BUY:													
Prices are high	16	23	26	17	24	23	19	25	22	23	17	21	19
Interest rates are high; credit is tight	17	17	22	25	26	22	17	18	23	17	21	21	17
Lack of purchasing power	11	11	11	11	13	16	12	9	13	8	7	9	11

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

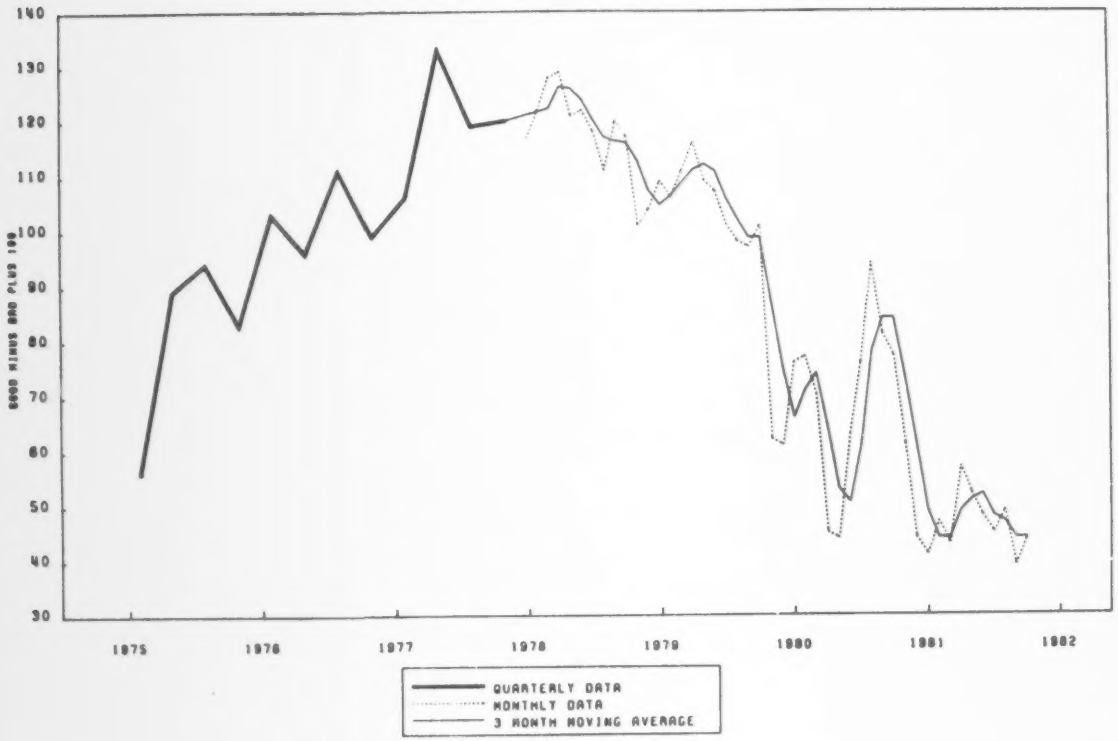


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

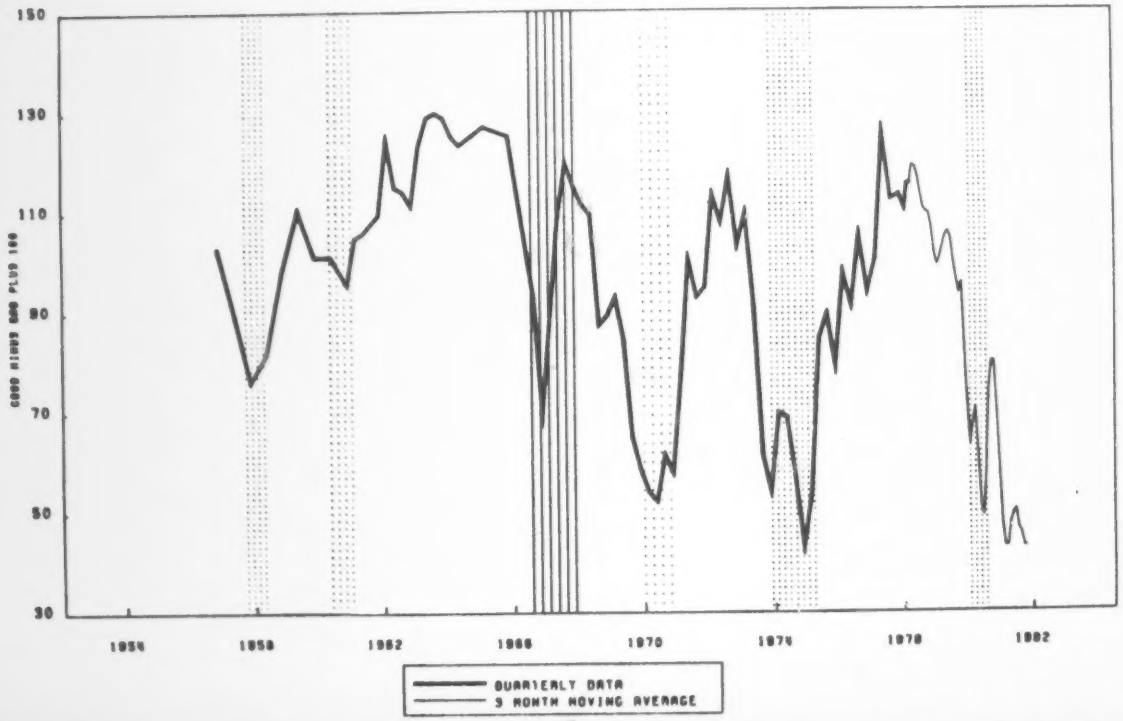


TABLE 28

BUYING CONDITIONS FOR HOUSES

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
GOOD TIME TO BUY	36%	28%	19%	18%	21%	20%	26%	24%	20%	20%	21%	15%	18%
UNCERTAIN, DEPENDS	5	5	6	5	5	3	5	4	8	5	7	9	8
BAD TIME TO BUY	59	67	75	77	74	77	69	72	72	75	72	76	74
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
GOOD TIME TO BUY:													
Prices are low; good buys available	4%	4%	4%	3%	5%	4%	5%	5%	5%	5%	6%	5%	7%
Prices won't come down; are going higher	17	16	10	12	10	9	12	10	10	10	10	7	9
Interest rates low; credit is easy	16	10	6	4	7	5	9	7	5	6	8	6	4
Good investment	8	7	6	7	10	7	8	6	6	7	5	4	3
BAD TIME TO BUY:													
Prices are high	27	28	28	32	31	32	30	28	30	30	23	30	27
Interest rates are high; credit is tight	56	66	77	76	73	76	66	71	71	71	76	80	78
Lack of purchasing power	12	11	12	10	14	13	12	11	13	12	11	15	11

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

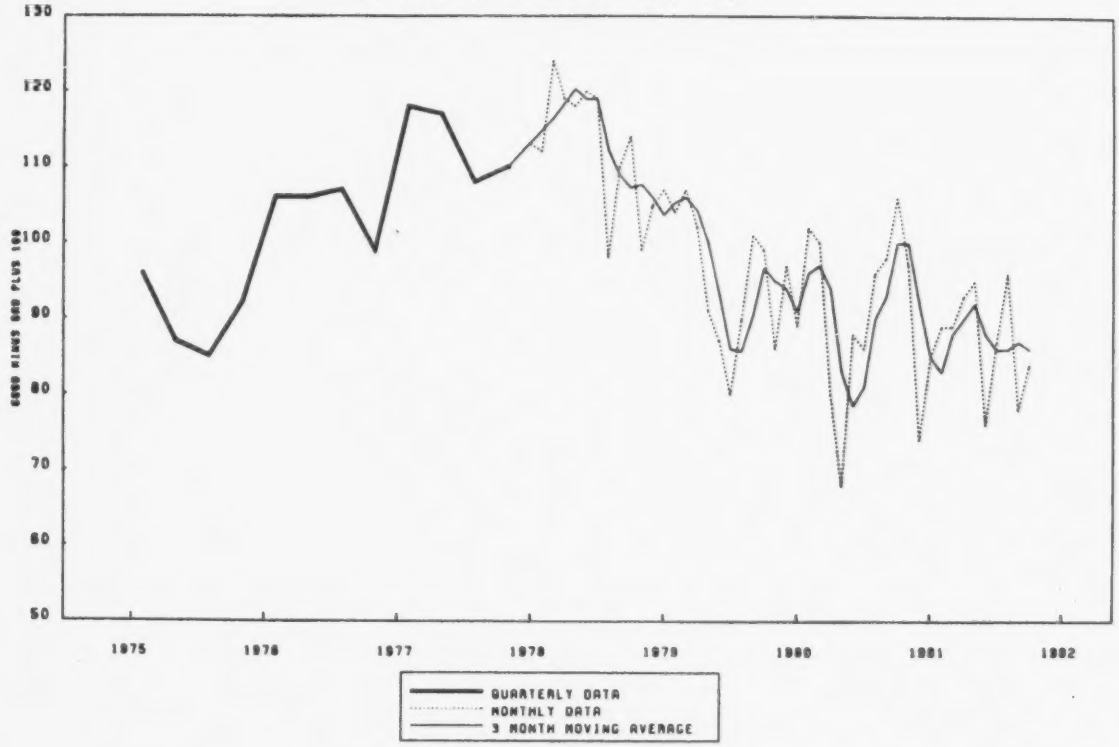


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

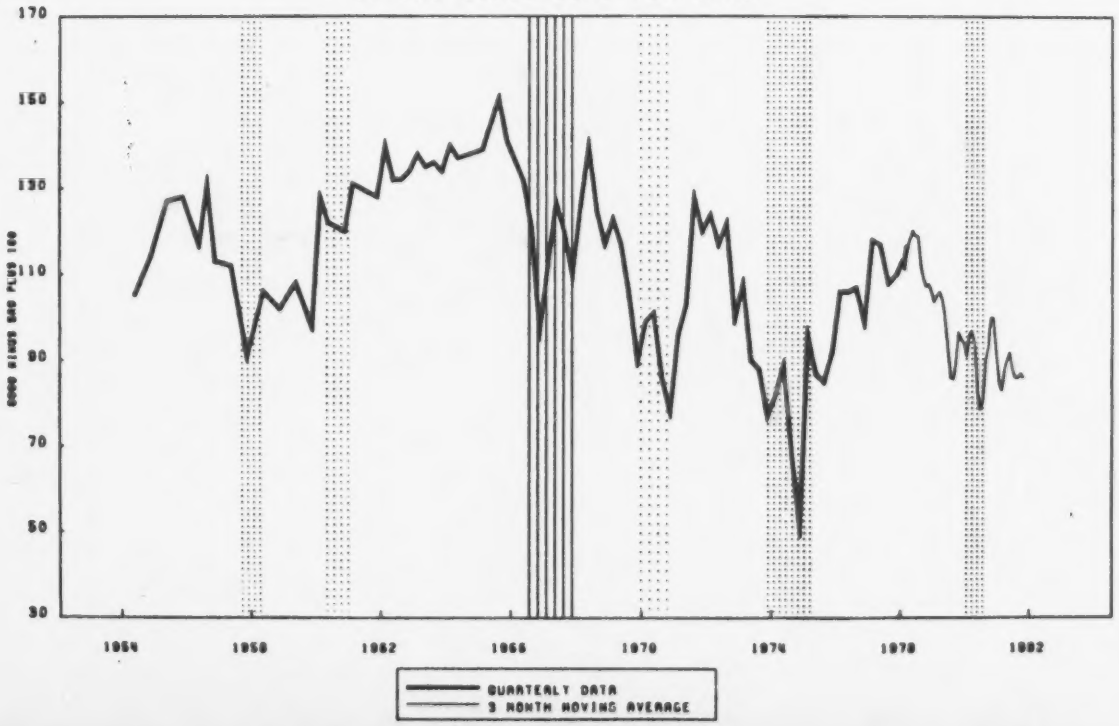


TABLE 30

BUYING CONDITIONS FOR CARS

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
GOOD TIME TO BUY	45%	41%	33%	36%	39%	39%	42%	44%	33%	40%	43%	34%	37%
UNCERTAIN; DEPENDS	16	15	8	13	11	11	9	7	10	7	10	10	10
BAD TIME TO BUY	39	44	59	51	50	50	49	49	57	53	47	56	53
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
GOOD TIME TO BUY:													
Prices are low; good buys available	17%	17%	13%	18%	22%	30%	25%	23%	14%	17%	19%	14%	20%
Prices won't come down; are going higher	17	16	12	13	12	10	19	15	12	18	18	15	14
Interest rates low; credit is easy	3	3	4	5	3	2	3	4	2	3	5	6	4
New fuel efficient models	12	7	5	4	4	6	4	5	5	5	4	4	2
BAD TIME TO BUY:													
Prices are high	23	28	31	33	31	34	31	33	34	33	26	30	36
Interest rates are high; credit is tight	14	17	29	28	27	21	22	17	28	25	26	31	29
Lack of purchasing power	8	7	9	7	7	10	8	6	6	6	5	8	7
Price of gas; shortages	4	4	5	4	8	6	5	3	2	3	4	3	1
Poor selection; quality	13	10	12	9	9	9	8	10	9	11	8	9	8

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
PROBABLY WILL BUY	15%	17%	14%	15%	16%	14%	15%	17%	17%	14%	19%	17%	14%
CHANCES ARE EVEN	7	6	6	8	7	6	8	9	8	7	7	3	7
PROBABLY WILL NOT BUY	67	66	67	66	62	67	65	63	66	64	59	67	70
DK,NA	11	11	13	11	15	13	12	11	9	15	15	13	9
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	685	694	684	698	668	703	690	667	675	694	696	681	712

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	22%	23%	20%	23%	23%	20%	23%	26%	25%	21%	26%	20%	21%
PURCHASE TYPE:													
Buy new	12	11	8	11	10	9	11	11	10	9	12	9	10
Buy used	7	9	9	8	10	9	10	12	11	9	11	9	9
Lease	2	*	1	1	1	1	1	1	2	2	2	1	1
DK,NA	1	3	2	3	2	1	1	2	2	1	1	1	1
PURCHASE TIMING:													
Next 3 months	3	4	2	3	1	1	5	5	2	5	3	2	4
Next 4-6 months	4	3	3	5	6	4	8	5	7	6	7	4	6
Next 7-9 months	7	6	5	6	7	5	5	7	7	2	3	5	3
10 months or more	4	4	5	4	3	5	2	3	5	3	7	5	4
DK,NA	4	6	5	5	6	5	3	6	4	5	6	4	4

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

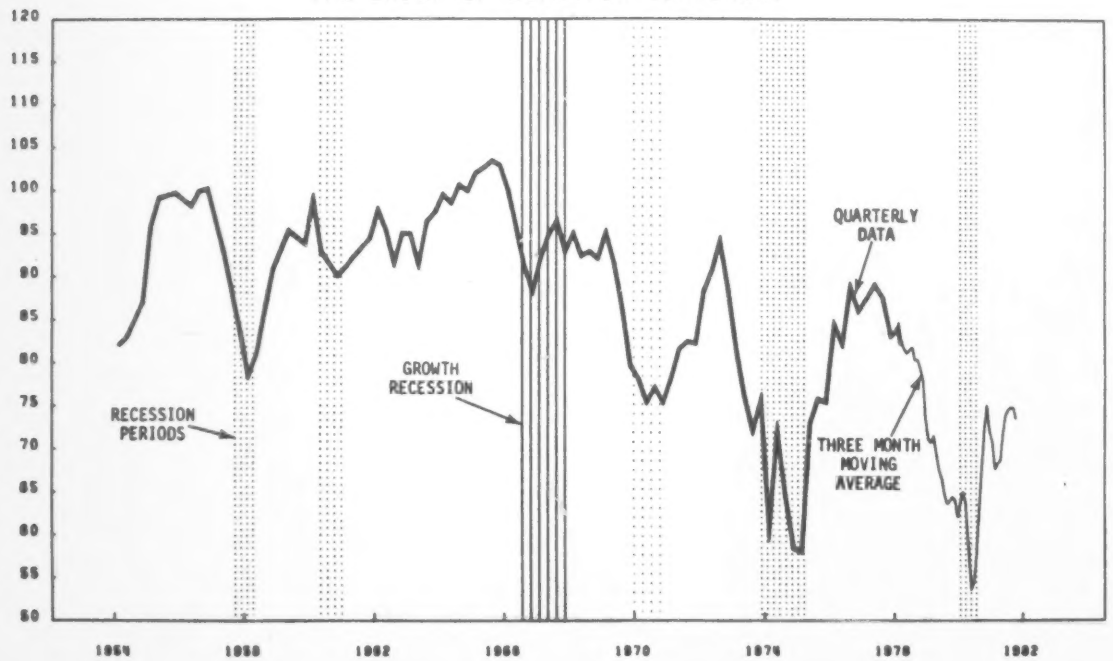
	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981	June 1981	July 1981	Aug. 1981	Sept 1981	Oct. 1981
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	67%	66%	67%	66%	62%	67%	65%	63%	66%	64%	59%	67%	70%
PURCHASE TYPE:													
Would buy new	44	38	37	35	33	34	39	37	37	35	34	33	38
Would buy used	20	26	27	29	28	28	24	25	27	27	23	31	29
DK,NA	3	2	3	2	1	5	2	1	2	2	2	3	3
PURCHASE TIMING:													
Less than 2 years	5	6	7	6	5	6	9	6	5	4	7	5	5
2 years	20	23	20	17	23	23	19	22	20	19	18	23	20
3 years	15	11	12	12	9	9	9	10	11	11	10	10	11
4 years or more	15	15	18	19	16	19	22	15	20	18	18	21	24
Indefinite	3	5	3	5	3	3	3	4	5	5	1	2	4
DK,NA	9	6	7	7	6	7	3	6	5	7	5	6	6

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three month intervals (quarters) before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scales represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES

RECESSION PERIOD: Reduction in the national output of goods and services (generally lasting at least two quarters).

DATES:

November	1948	-	October	1949
July	1953	-	May	1954
August	1957	-	April	1958
April	1960	-	February	1961
December	1969	-	November	1970
November	1973	-	March	1975
January	1980	-	July	1980

GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

DATE: June 1966 - November 1967

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

[a]The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b]Average size of monthly surveys.

[c]Average size of two monthly surveys.

[d]Average size of three monthly surveys (one quarter).

U7475-2

October 30, 1981

OCTOBER 1981 MONTHLY SURVEY

Surveys of Consumer Attitudes

Richard T. Curtin, *Director*

HIGH INTEREST RATES OVERWHELM CONSUMERS

** In the October 1981 survey, the Index of Consumer Sentiment was 70.3, below the month-earlier (73.1) and the year-earlier readings. During the past year, the Index has moved in a zigzag horizontal pattern, due to divergent trends in consumer attitudes and expectations. The favorable impact of lower inflation rates has been offset by high interest rates, and more recently a growing concern with unemployment.

** Among families with incomes of $25,000 and over, the Index figure was 77.9 in October 1981, up from 73.3 in September, but just below the year-earlier figure of 78.7. Compared with a year earlier, the greatest declines recorded in the October survey were among those aged 55 and older, while the largest improvements were recorded among residents of the Western region.

** The October survey recorded a greatly heightened concern with unemployment (50 percent expected further increases, up from 39 percent a month earlier), while concern with inflation has diminished (the expected inflation rate fell to 7.2% from 9.2% a year ago). As a consequence, more consumers now expect unemployment rather than inflation to represent the more serious economic hardship facing the nation.

** Short and long-term business expectations were less favorable in the October survey than either one month or one year earlier. The proportion that expected good times in the economy as a whole fell to 25 percent in October, down from 33 percent in September 1981. Underlying these expectations, favorable references to federal economic policies were less frequent in the October survey, while unfavorable references grew somewhat in frequency.

** Attitudes toward buying conditions for houses remained near record unfavorable levels in the October survey, despite marginal improvement from month-earlier figures. Unfavorable attitudes toward buying conditions for autos remained widespread, although improved somewhat in October over September 1981.

** High interest rates led to postponement of purchases among 30 percent of all households during the past six months, with vehicles being the purchase most frequently postponed. Depending on whether increases or decreases in interest rates were expected during the year ahead, sharply divergent outlooks for personal finances as well as general business conditions were recorded.

* * *

High interest rates coupled with rising concern with spreading unemployment has not only directly resulted in less favorable evaluations of current business conditions, it has also dampened confidence in the ability of economic policies to promote more favorable future prospects. Large discretionary purchases will continue to be responsive to trends in interest rates, but more favorable employment and real income trends are necessary before sustained growth in housing and vehicle sales can be expected

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Concern Shifts Toward Unemployment from Inflation

In the October 1981 survey, 50 percent of all respondents expected unemployment to increase in the year ahead, up from 39 percent in September, and 30 percent in October 1980. During the past year, the proportion of households that expected unemployment to decline fell from 21 to 11 percent. Consequently, by October 1981, 88 percent expected the unemployment rate to remain at its current high level or to further increase in the year ahead.

While growing concern with unemployment has been recorded during the past year, concern with inflation has moderated substantially. In the October 1981 survey, consumers expected the inflation rate to average 7.2% in the year ahead, down from 7.5% in September, and 9.2% in October 1980. Among all families, 27 percent expected inflation to average 10% or more, down from 40 percent saying so one year earlier.

When asked whether unemployment or inflation would cause the more serious economic hardship during the year ahead, the proportion that selected unemployment in October 1981 exceeded the proportion that mentioned inflation for the first time in more than a year, and only the second time since early 1975. In the October 1981 survey, 45 percent thought unemployment represented the more serious hardship compared with 41 percent mentioning inflation, identical to the July 1980 reading.

Business Outlook Dims

Consumers more frequently reported that current business conditions had worsened in October 1981 than in any of the prior six months, reversing the entire improvement recorded during the past year. Among all families, 63 percent reported business conditions had worsened during the past year, up from 57 percent in September, and just below the 64 percent recorded in October 1980. The proportion of families that reported improved business conditions was 23 percent in the October 1981 survey, down from a recent high of 33 percent in August, and identical to the 23 percent recorded a year ago.

Expected changes in business conditions were also less favorable in the October 1981 survey. The proportion of all families that expected business conditions to worsen during the year ahead increased to 25 percent in October 1981, up from 19 percent in September, and 18 percent in October 1980. The almost two-to-one margin of favorable over unfavorable business expectations of a year ago was reduced to the rather narrow margin of 31 to 25 percent in October 1981.

When asked why they thought business conditions would improve or worsen, a shift in the perceived impact of government economic policies was reflected in the pattern of responses. The proportion of families that made spontaneous favorable references to federal economic policy and the Reagan administration declined to 19 percent in October 1981, down from 24 percent in September, and 35 percent in January 1981. At the same time, the proportion of families that made spontaneous unfavorable references to federal economic policy rose to 15 percent in October 1981, from 11 percent in September, and 7 percent in January 1981.

Confidence in government economic policy increased sharply from January to August 1981. The proportion that favorably rated government economic policy rose from 10 to 31 percent from January to August, but has remained at that same exact level through the September and October 1981 surveys. Unfavorable ratings of government economic policy rose to 25 percent in October from 20 percent in September 1981. Although confidence in government economic policy has yet to decline significantly (due in part to favorable inflation trends), the upward momentum has ended in the face of rising concern with unemployment.

Buying Attitudes Remain Unfavorable

In the October 1981 survey, attitudes towards buying conditions for houses, autos, and durables improved only slightly from the September 1981 levels. As has been the case for the preceding 12 months, high interest rates and high prices continue to be the dominant factors underlying unfavorable buying attitudes.

Attitudes towards buying conditions for houses showed a small improvement in October over September 1981, but nonetheless remained near record unfavorable levels. The proportion of respondents that reported favorable house buying conditions was 18 percent in October, up from 15 percent in September 1981. Unfavorable evaluations in October 1981 stood at 74 percent, down from 76 percent in September. Unfavorable evaluations outnumbered favorable responses by more than four to one in October 1981, as opposed to a less than two to one margin a year ago. In explaining their attitudes toward the housing market, respondents continued to cite tight credit conditions in record proportions, with 78 percent of all families mentioning interest rates as a reason for unfavorable buying conditions, compared with 80 percent in September 1981, and 56 percent in October 1980.

Attitudes toward buying conditions for automobiles in October 1981 continued in the horizontal zig zag pattern exhibited during the past two years. Among all families, 37 percent reported that it was a good time to buy a car, up from 34 percent in September, but below the October 1980 level of 45 percent. Unfavorable evaluations in October 1981 stood at 53 percent, down slightly from 56 percent in September 1981, but much higher than the 39 percent recorded in October 1980. References to interest rates continued at high levels, with 29 percent of all respondents citing this reason for unfavorable buying conditions in October 1981. While mentions of high prices rose to 36 percent in October 1981 from 30 percent in September 1981, and 23 percent in October 1980, mentions of low prices also increased, due to continued availability of rebates. In October 1981, 20 percent of all families mentioned price discounts, up from 14 percent in September.

The proportion of respondents reporting favorable buying conditions for large household goods increased to 52 percent from 44 percent in September 1981, while unfavorable evaluations remained unchanged. Attitudes towards buying conditions for durables remained, on balance, unchanged from year ago levels. High prices and high interest rates were spontaneously mentioned with nearly equal frequency (19 percent and 17 percent in October 1981), a slight decline from September, when both stood at 21 percent.

The Impact of Interest Rates

High interest rates have recently played a central role in shaping current purchase behavior as well as future economic expectations. When asked whether they had postponed any purchases during the past six months due to interest rates, 30 percent of all households in the October 1981 survey reported they had postponed purchases (see Table A below). The most frequently postponed items were vehicles (mentioned by 11 percent of all households), followed by household durables (8 percent), housing (8 percent), and home repairs (3 percent). Families that had postponed purchases were asked what interest rate would have been charged on the postponed purchases--the median response was 17.3%. Following this, they were asked about the interest rate they would have been willing to pay when making such a purchase, with 11.8% being the median response. When comparisons were made among identical individuals, the difference between the interest rate charged and the interest rate they were willing to pay was 4.6%.

The importance of interest rate trends in the formulation of economic expectations is amply demonstrated in Table B. Among all households, roughly one-third expected interest rates to increase in the year ahead, one-third expected rates to remain about the same, and one-third expected interest rate declines. Depending on the outlook for interest rates, economic attitudes and expectations were sharply divergent. Among those who expected interest rates to increase, the ICS was 60.2, significantly lower than among those that either expected interest rates to remain the same (71.2), or among those who expected interest rates to decline (78.6). Expected changes in personal finances and business conditions were much more favorable among respondents who also expected interest rates to decline, the difference especially sharp for long term business expectations. Interestingly, expected trends in interest rates and prices were highly related. Respondents who expected declines in interest rates in the year ahead also expected the inflation rate to average just 5.2%. In contrast, those who expected increases in interest rates also expected the inflation rate to average 11.1% in the year ahead.

* * *

The October 1981 survey contained 712 interviews, conducted between September 24 and October 21, 1981.

TABLE A

INTEREST RATE EFFECT ON CONSUMER PURCHASES
DURING THE LAST SIX MONTHS

	October 1981
Postponed Purchases:	30%
Vehicles	11*
House, real estate	8
Household durables	8
Home repairs	3
Clothing	1
Other	3
Did not Postpone Purchase	67
Don't know, not ascertained	3
Total	100%
Cases	712
Interest rate that would have been charged on postponed purchase	
Median	17.3%
Highest interest rate willing to pay to make purchases	
Median	11.8%
Difference between interest rate charged and willing to pay	
Median	4.6%

*Items add to more than 30% due to multiple mentions.

The questions were: "Have interest rates caused you to postpone making any purchases during the last six months? "What was postponed?", "What interest rate would have been charged on any money borrowed for (ITEM)?" and "What is the highest interest rate at which you would have purchased (ITEM)?"

TABLE B

IMPACT OF EXPECTED CHANGE IN INTEREST RATES
DURING THE NEXT 12 MONTHS ON CONSUMER SENTIMENT

(October 1981)

	Expected Change in Interest Rates During the Next 12 Months		
	Up	Same	Down
All households	31%	30%	35%
Index of Consumer Sentiment	60.2	71.2	78.6
Personal Finances			
Expected during next year			
Better	28%	24%	36%
Worse	28%	18%	13%
Relative[a]	100	106	123
Business Conditions			
Expected during next year			
Better	16%	26%	51%
Worse	39%	19%	17%
Relative[a]	77	107	134
Expected next five years			
Better	12%	27%	33%
Worse	76%	58%	39%
Relative[a]	36	69	94
Evaluation of Government Economic Policy			
Good job	15%	26%	46%
Poor job	38%	21%	18%
Relative[a]	77	105	128
Mean Expected Change in Prices Next 12 Months	11.1%	6.5%	5.2%

[a]Table entries are the proportion giving favorable replies minus the proportion giving unfavorable replies, plus 100.